Development Effectiveness

Business Review

Third Quarter 2011

Office of Strategic Planning and Development Effectiveness
Inter-American Development Bank

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This document provides an analysis of the 2011 Third Quarter operational results for discussion and decision making purposes. This data was collected from a number of sources and is subject to adjustments and analysis as deemed appropriate by the corresponding business units sponsoring the information.

Special acknowledgement to VPC, VPF, VPS and VPP for their contributions in the preparation of this report.

Operational Program Highlights

Approvals [1 2]

- Lending approvals for the period reached $4.3b (40% of the year's projected $10.7b) in 74 operations, and representing 54% of the $7.9b projected[3] for Q3. Approvals in the same period in 2010 were $6.3b with 89 operations.
  - SG approvals with Ordinary Capital reached $3.5b (39% of the year's projected $8.9b), compared to $5.7b for the same period last year.
  - Policy-based Lending amounted to $0.6b (41% of the year's projected $1.5b), compared to $2.1b for the same period last year.
  - SG approvals with the Fund for Special Operations (FSO) reached $60.6m (24% of the year's projected $254m), compared to $87.4m for the same period last year.
  - NSG approvals reached $0.6b (35% of the year's projected $1.7b), compared to $278m for the same period last year.
- Based on 2011 projections, the average operation size could reach $51m by year's end, a 32% decrease from $75m in 2010.

Disbursements [4]

- Total cumulative disbursements for the period reached $4.2b (42% of the year's projected $10.1b), a decrease of 2% from the $4.3b level reached in the same period last year.
- Total disbursements from FSO and the Grant Facility for Haiti amounted to $316m (56% of the year's projected $568m), an 18% increase from the $267m disbursed in the same period in 2010.

Portfolio

- There are 37 SG operations with legal effectiveness pending eligibility, representing 7% of SG portfolio (566 operations). In the same period in 2010, there were 46 SG operations with legal effectiveness pending eligibility, representing 8% of total SG portfolio (564 operations).
- There are 34 NSG operations pending signature, representing 49% of NSG portfolio (70 operations) of which nine were approved between 2007 and 2009. In the same period in 2010, there were 29 NSG operations.

VPS Economic and Sector Work (ESW) Products

- The ESW plan[5] at the end of Q3 includes 84 products with 528 deliverables for the year of which 192 were completed as of Q3 (36%). In the same period in 2010 the ESW plan included 104 products with 230 deliverables of which 76 had been completed (33%).

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[1] "Given that 2011 is a transition year with respect to the 9th General Capital Increase, the Bank is considering the 2011 OC approval amount of $10.2 billion stated under the LTFP as an approval limit" [GN-2617]. For FSO, allocation for 2011 amounts to $248 million [GN-2442-32] and for GRF, volume amounts to $286 million [FN-656]. These volumes total $10.7 billion for 2011.

[2] Approval figures include OC, FSO and GRF

[3] Approval projections for the First quarter (Q1) are as of December 31st, 2010. For subsequent quarters (Q2-Q4), projections are as of April 18th, 2011 [GN-2617].

[4] Disbursement projections for Quarter (Q1) are as of December 31st, 2010. For subsequent quarters (Q2-Q4) and yearly total, projections are as of April 18th, 2011.

[5] The ESW Plan refers only to products financed by the administrative budget.

Country Strategies and Programming

- 12 Country Strategies were originally projected for 2011 of which three (CR, UR and VE) have been approved. Out of the remaining 9 strategies expected to be approved in Q4, 8 were originally scheduled for Q2 and Q3.
- 23 Country Program Documents were prepared and approved as of Q3.

Technical Cooperation

- TC approvals reached $103m with 216 operations, a decrease of 12% from $117m in 226 operations in the same period in 2010.
  - Approvals of TCs financed with Ordinary Capital (OC) reached $50m in 100 operations, a 4% increase from $48m in 79 operations in the same period in 2010.
  - Approvals of TCs financed with Donor Trust Funds reached $53m in 116 operations, a 6% decrease from $56m in 111 operations in the same period in 2010.
- TC disbursements reached $111m in Q3, a 19% increase from $93m in the same period in 2010.
  - TC disbursements funded by DTF reached $41m, a 22% increase from $33m in the same period in 2010.
  - TC disbursements funded by FSO reached $24m, a 29% increase from $18m in the same period in 2010.

Staffing and Culture

- 195 vacancies were filled as of Q3, 171 vacancies remain. 144 (74%) of the filled positions went to external candidates. Of the 144 external hires, 70 (49%) were female.
- Women in grades four and above reached 33%, one percentage point increase since Q4 2010 and same level as of Q2 2011. The RF target is 40% in 2015.
- Professional Staff in COF reached 33%, three percentage points increase since Q4 2010 and 1 percentage point since Q2 2011. The RF target is 40% in 2015.

Note:

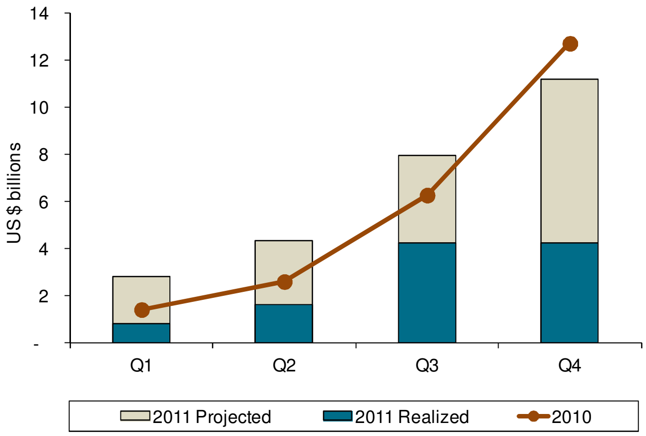
RBB [Results Based Budget] denotes indicators from the "2011 Program and Budget" document [GA-245-19] to be monitored in QBR.

RF [Result Framework] denotes indicators (with annual targets) from the Results Framework Annex of the IDB-9 document [AB-2764] to be monitored in QBR.

I. Program Strategic Alignment

1.1 Approvals (SG and NSG)

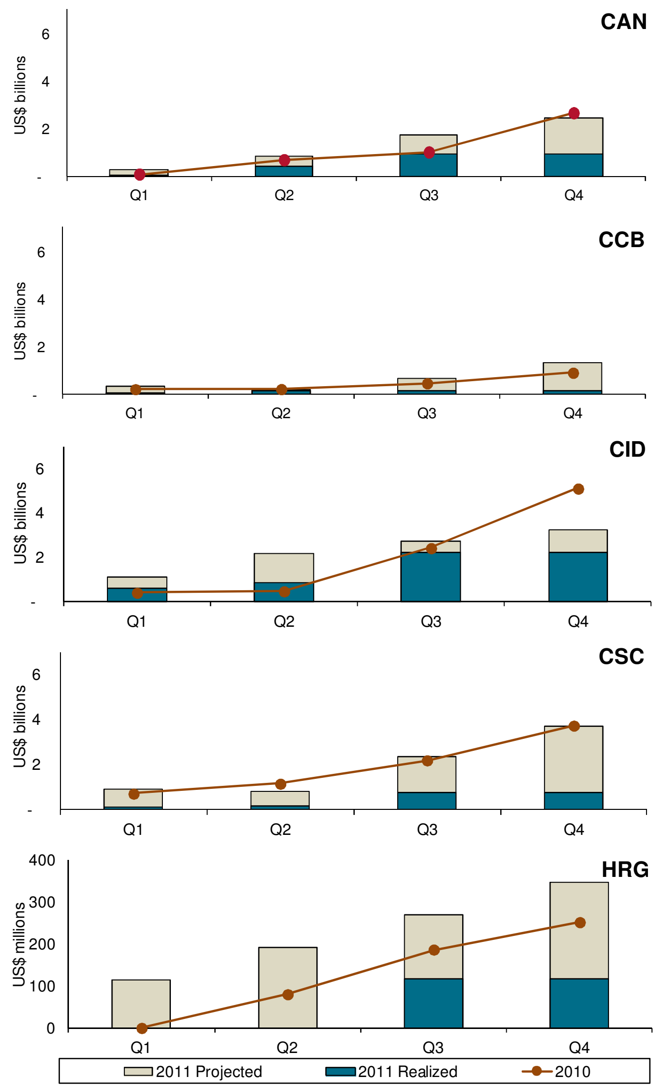
Figure 1.1 Approvals RBB



- Total approvals[6] reached $4.3b in 74 operations, 54% of the volume ($7.9b) projected[7] for **Q3** and 40% of the total volume ($10.7b) for **2011**. Approvals in the same period in 2010 were $6.3b (49% of total approvals) in 89 operations.
- SG lending approvals with Ordinary Capital (OC) reached $3.5b in 48 operations, 57% of the volume ($6.1b) projected for **Q3** and 39% of the volume ($8.9b) for **2011**. Approvals in the same period in 2010 were $5.7b in 67 operations.
- SG lending approvals with Fund for Special Operations (FSO) reached $60.6m in 8 operations, 41% of the volume ($149.1m) projected for **Q3** and 24% of $254m volume for **2011**. Approvals in the same period in 2010 were $87.4m in 11 operations.
- Grant Funds (GRF) approvals reached $116m in 4 operations, 59% of the volume ($198m) projected for **Q3** and 42%of the $276m volume for **2011**. Approvals in the same period in 2010 were $186m in eight operations.
- Based on projections for 2011, the average operation size could reach $51m by year's end, a 32% decrease from $75m in 2010.

By Country Group

Figure 1.2 Country Region Approvals



[6] "Given that 2011 is a transition year with respect to the 9th General Capital Increase, the Bank is considering the 2011 OC approval amount of $10.2 billion stated under the LTFP as an approval limit" [GN-2617]. For FSO, allocation for 2011 amounts to $248 million [GN-2442-32] and for GRF, volume amounts to $286 million [FN-656]. These volumes total $10.7 billion for 2011. Approval figures include OC, FSO and GRF

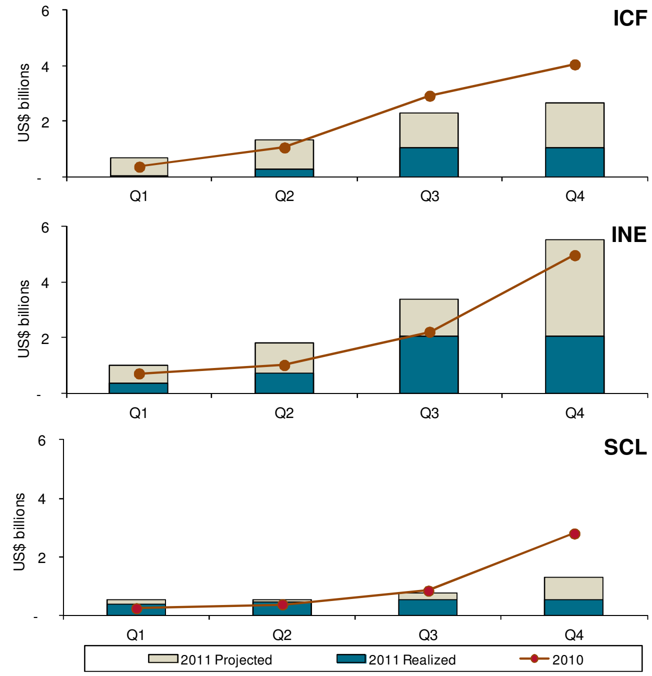
[7] Approval projections for the First quarter (Q1) are as of December 31st, 2010. For subsequent Quarters (Q2-Q4), projections are as of April 18th, 2011 [GN-2617]. Q2 projections include Q1.

Note: Click on the graph to download the MS Excel file with the corresponding details.

- Approvals for CAN countries reached $0.9b in 15 operations, 54% of the volume ($1.7b) projected for **Q3** and 39% of the volume ($2.5b) projected for **2011**. Approvals in the same period in 2010 were $0.9b in 18 operations.
- Approvals for CCB countries reached $127m in four operations, 20% of the volume ($0.6b) projected for **Q3** and 10% of the volume ($1.3b) projected for **2011**. Approvals in the same period in 2010 were $0.5b in seven operations.
- Approvals for CID countries reached $2.2b in 32 operations, 82% of the volume ($2.7b) projected for **Q3** and 69% of the volume ($3.2b) projected for **2011**. Approvals in the same period in 2010 were $2.4b in 24 operations.
- Approvals for CSC countries reached $0.8b in 16 operations, 33% of the volume ($2.3b) projected for **Q3** and 21% of the volume ($3.7b) projected for **2011**. Approvals in the same period in 2010 were $2.2b in 32 operations.
- Approvals for HRG reached $116m in four operations, 43% of the volume ($268m) projected for **Q3** and 34% of the volume ($346m) projected for **2011**. Approvals in the same period in 2010 were $186m in eight operations.
- Approvals for Regional operations reached $62m in three operations, 36% of the volume ($172m) projected for **Q3** and for **2011**. There were no approvals in the same period in 2010.

By Sector (SG)

Figure 1.3

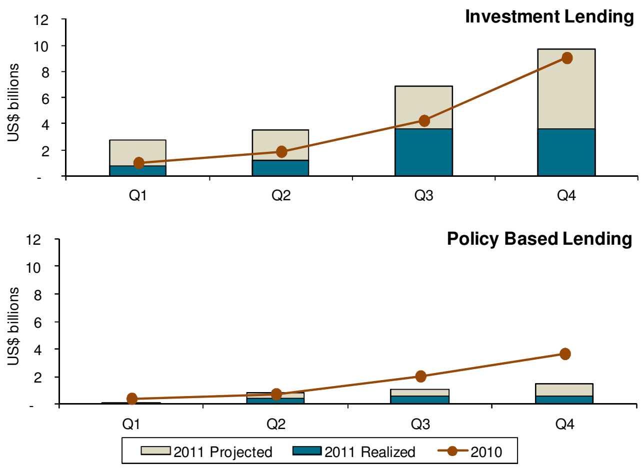


- ICF approvals reached $1b in 20 operations, 46% of the volume ($2.3b) projected for **Q3** and 40% of the volume ($2.7b) projected for **2011**. Approvals in the same period in 2010 were $2.9b in 27 operations.
- INE approvals reached $2.1b in 23 operations, 61% of the volume ($3.3b) projected for **Q3** and 37% of the volume ($5.5b) projected for **2011**. Approvals in the same period in 2010 were $2.2b in 31 operations.
- SCL approvals reached $0.5b in seven operations, 72% of the volume ($0.8b) projected for **Q3** and 42% of the volume ($1.3b) projected for **2011**. Approvals in the same period in 2010 were $0.9b in 17 operations.

Note: Click on the graph to download the MS Excel file with the corresponding details.

By Instrument

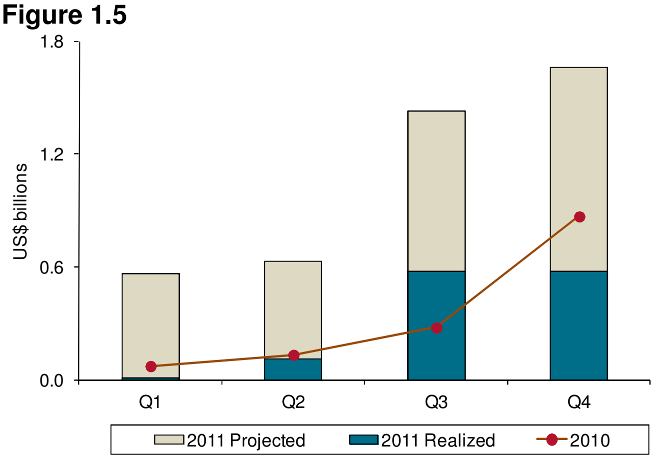
Figure 1.4



- Investment lending approvals reached $3.7b in 66 operations, 53% of the volume ($6.9) projected for **Q3** and 38% of the volume ($9.7b) projected for **2011.** Approvals in the same period in 2010 were $4.2b in 74 operations.
- Policy-based lending approvals reached $0.6b in eight operations, 57% of the volume ($1.1b) projected for **Q3** and 41% of the volume ($1.5b) projected for **2011.** Approvals in the same period in 2010 were $2.1b in 15 operations.

Non sovereign Guarantee RBB

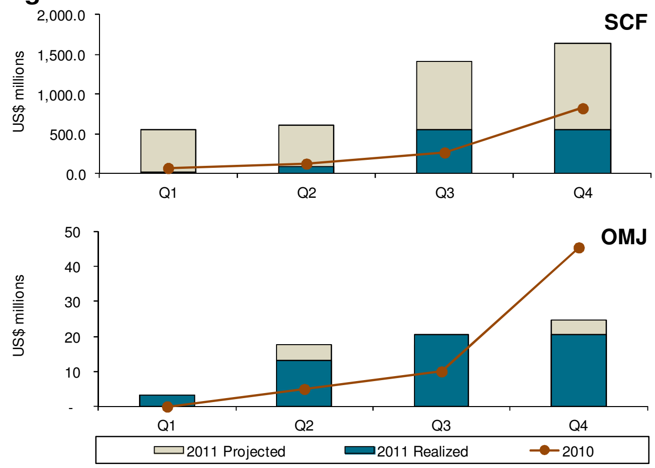
Figure 1.5



- NSG approvals reached $0.6b in 22 operations, 40% of the volume ($1.4b) projected for **Q3** and 35% of the volume ($1.7b) projected for **2011**. Approvals in the same period in 2010 were $278m in 14 operations.
- NSG approvals for C&D countries reached $375m in 10 operations, 66% of volume ($0.6b) projected for **Q3** and 53% of the volume ($0.7b) projected for **2011**. Approvals in the same period in 2010 were $100m in four operations.
- NSG approvals with B loans reached $1.6m in three operations, 0.3% of the volume ($0.6b) projected for Q3 and 0.2% of the volume ($0.7b) projected for 2011. Approvals in the same period in 2010 were $123m in four operations.

By Sector (NSG)[8]

Figure 1.6



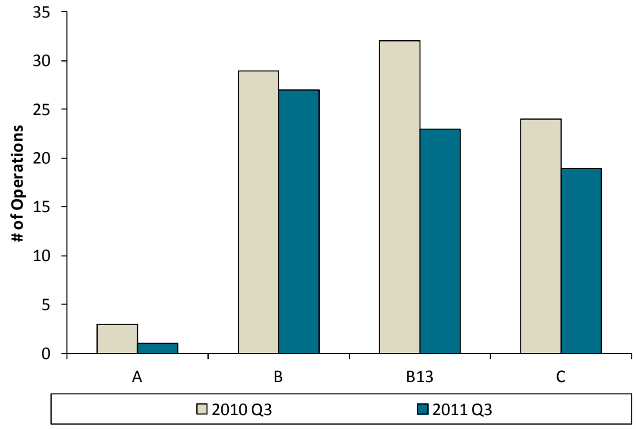
- SCF approvals reached $0.5b in 17 operations, 39% of the volume ($1.4b) projected for **Q3** and 34% of the volume ($1.6b) projected for **2011**. Approvals in the same period in 2010 were $268m in 11 operations.
- OMJ approvals reached $20.4m in five operations, 116% of the volume ($17.6m) projected for **Q3** and 82% of the volume ($24.8m) projected for **2011.** Approvals in the same period in 2010 were $10m in three operations.

[8] Please note difference in scale for each Sector for presentation purposes.

Note: Click on the graph to download the MS Excel file with the corresponding details.

1.2 Environmental & Social Impact

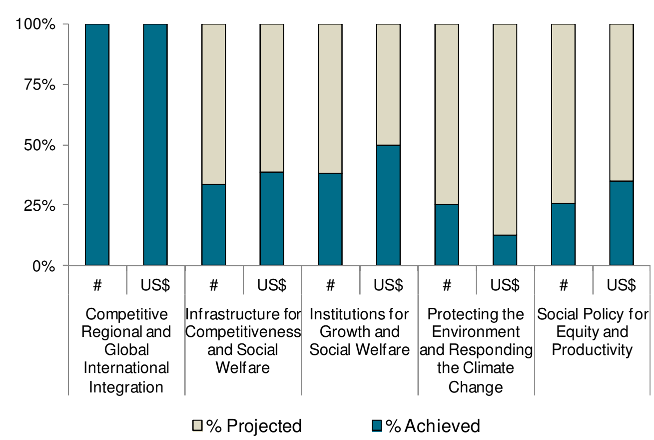
Figure 1.7



- Approvals for operations assigned the "A" Environmental and Social Impact risk classification reached $200m in one operation. Approvals for this group in the same period in 2010 were $2.1b in three operations.
- Approvals for operations assigned the "B" Environmental and Social Impact risk classification reached $2.2b in 27 operations. Approvals for this group in the same period in 2010 were $1b in 29 operations.

1.3 Approvals in sector priority areas

Figure 1.8 Sector Priorities Approved vs. Estimated

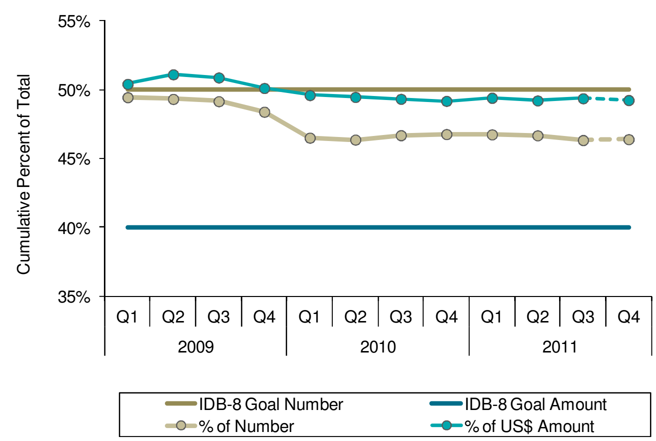


- Approvals for Competitive Regional and Global International Integration reached $76.3m in eight operations, 147% of the volume ($52m) projected for **Q3** and for **2011**.
- Approvals for Infrastructure for Competitiveness and Social Welfare reached $1.8b in 24 operations, 56% of the volume ($3.2b) projected for **Q3** and 39% of the volume ($4.6b) projected for **2011**.
- Approvals for Institutions for Growth and Social Welfare reached $1.1b in 24 operations, 57% of the volume ($2.0b) projected for **Q3** and 50% of the volume ($2.2b) projected for **2011**.
- Approvals for Protecting the Environment and Responding the Climate Change priority reached $45m in two operations, 56% of the $80m volume projected for **Q3** and 13% of the $355m volume projected for **2011**.
- Approvals for Social Policy for Equity and Productivity reached $1.2b in 16 operations, 49% of the volume ($2.5b) projected for **Q3** and 35% of the volume ($3.6b) projected for **2011**.

1.4 Lending Targets of IDB-8 [9]

The following are the results of the approvals in Q3 2011 compared to the targets established[10] for the 8th Replenishment.

Figure 1.9 Social Equity and Poverty Reduction as a percent of cumulative SG Lending



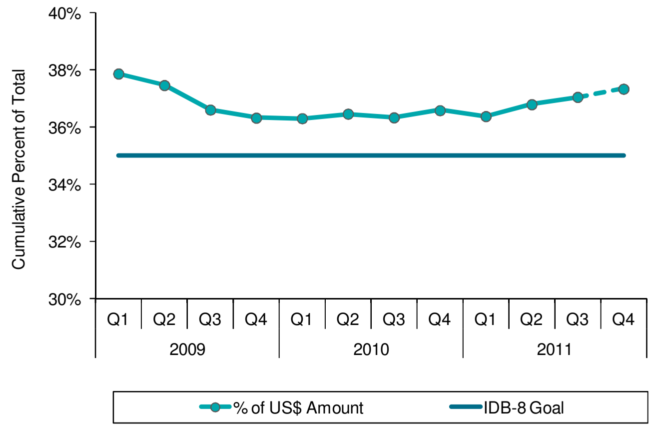
- Cumulative levels for SG number and volume of approvals for operations for Social Equity and Poverty Reduction are at 46% of number (four percentage points under the 50% goal) and 49% of volume (10 percentage points over the goal of 40%).
- Based on current estimates, such levels will reach 46% of number and 49% of volume by year's end.

[9] As stated in the Results Framework of the IDB-9 (AB-2764), the Bank will report on IDB 8 Indicators until 2011. Starting in 2012 and beyond, progress on IDB-9 lending indicators will be reported.

[10] A single operation can account for more than one indicator.

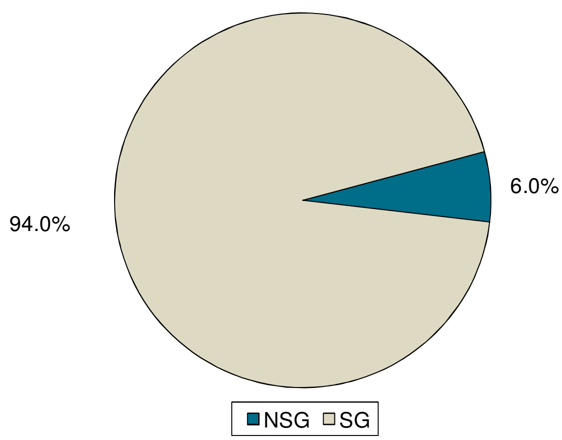
Note: Click on the graph to download the MS Excel file with the corresponding details.

Figure 1.10 Lending to Group II countries as a percent of cumulative SG Lending



- Cumulative SG lending approvals for Group II countries remained steady at 37% of volume (two percentage point above the 35% goal).

Figure 1.11 OC Loans Outstanding and Guarantee Exposure

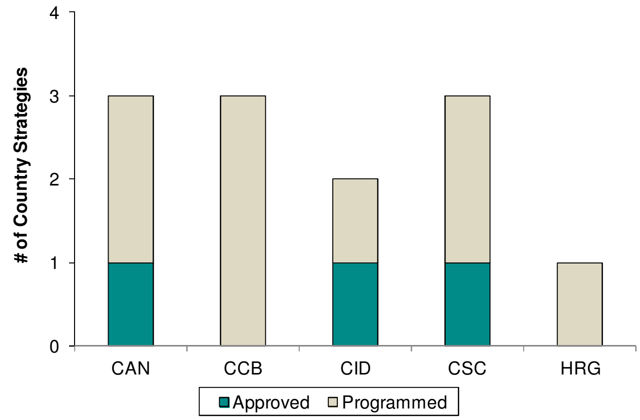


- Total OC loans outstanding and guarantee exposure reached $64b. This figure includes $3.9b of NSG operations representing 6% of total outstanding.

II. Business Development

Country Policy Dialogue

Figure 2.1 Country Strategies RBB



- 12 Country Strategies were originally projected for 2011[11] of which three (CR, UR and VE) have been approved. Approvals in the same period in 2010 were also three strategies.
- Of the remaining 9, four (BO, CH, CO, HO) were planned for approval in Q2 and moved[12] to Q4; four strategies (HA, JA, SU, and TT) were planned for approval in Q3 and moved to Q4, only one strategy was programmed and is still scheduled to be approved in Q4.
- Six country strategies pending approval (BO, CH, CO, HA, JA, and TT) have cleared the Quality and Risk Review (QRR).
- In addition, 23 Country Program Documents were prepared and approved as of Q3.

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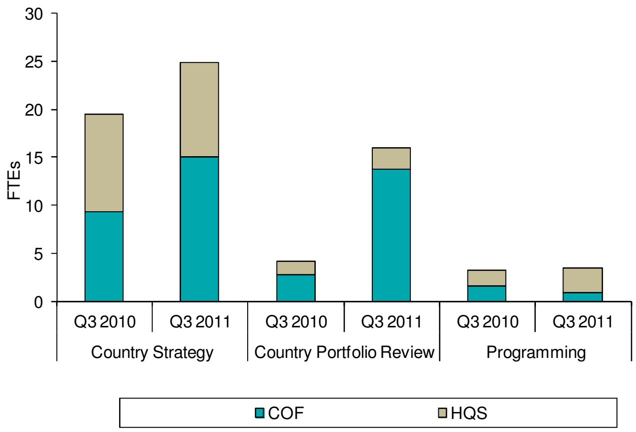
[11] Nine of the 12 strategies for 2011 were also programmed for 2010.
[12] Based on comparison of programmed dates as of March 31st.

Note: Click on the graph to download the MS Excel file with the corresponding details.

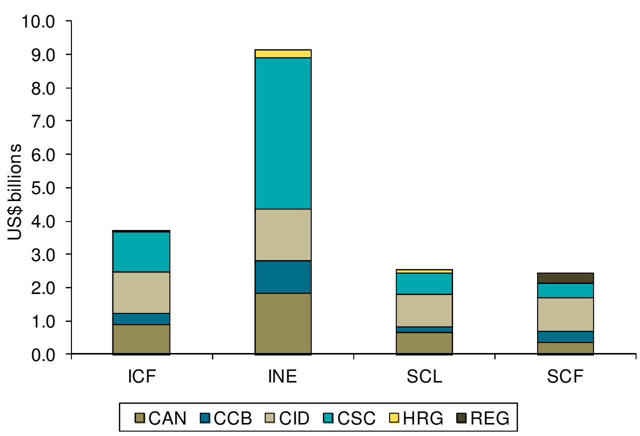
Figure 2.2 Staff Time Reported to Programming Products



- Staff Time reported to country strategies, programming and portfolio management activities reached 44.2 FTEs[13] a 66% increase from 26.7 FTEs reported in Q3/10. Country Strategies accounted for 56% (24.8 FTEs) of staff time reported to these activities.
- The 44.2 FTEs reported to programming and portfolio management activities are distributed as: CAN 25%, CCB 17%, CID 33%, CSC 18%, HRG 4% and Regional 2%.
- Staff time reported to country strategies, programming and portfolio management activities by COF reached 67% of total staff time reported, a 16 percentage points increase from 51% in the same period in 2010.

2.2 Pipeline Development RBB

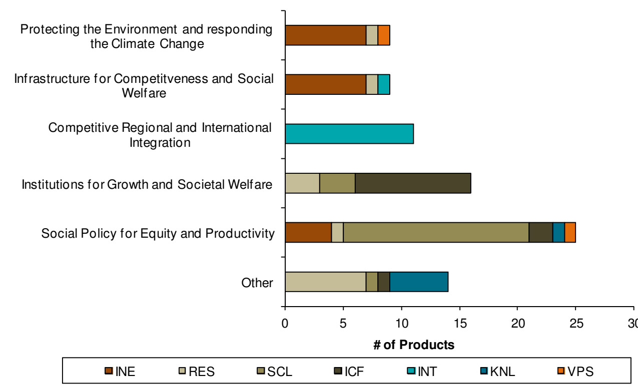
Figure 2.3 Operations Pipeline Development



- On January 1st, 2011 the pipeline had 299 operations for \$19.5b, this included \$3.2b in Policy Based Lending, and \$16.3b in SG and NSG investment operations and Guarantees. At the same date in 2010, the pipeline had 371 operations for \$21.3b.
- By the end of Q3, the pipeline had 292 operations for \$17.9b, this included \$2.2b in Policy Based Lending, and \$15.8b in SG and NSG investment operations and Guarantees. At the end of Q3 2010, the pipeline had 354 operations for \$23.5b.

2.3 Economic and Sector Work (ESW) Plan

Figure 2.4 ESW products by Department – Distribution by Priority Areas RBB



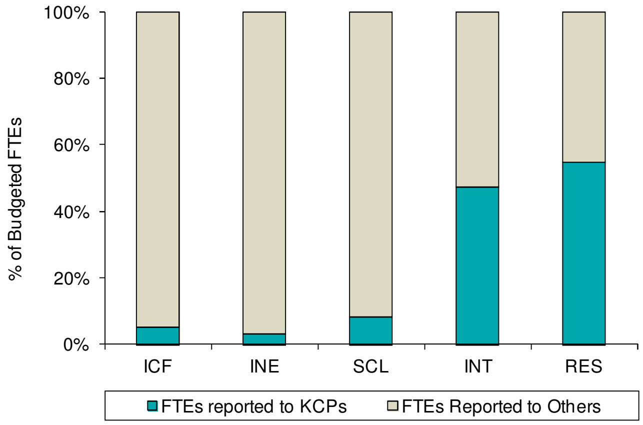
- The ESW Plan[14] at the end of Q3 contains 84 products with 528 deliverables projected for the year of which 192 were completed by Q3. In the same period in 2010 the ESW Plan contained 104 products with 230 deliverables of which 76 were completed.
- The Corporate Input Products (CIP) program for VPS at the end of Q3 contains 42 products concentrated mainly in KNL (17), six in ICF, nine in INE, seven in SCL and three in the VPS office (which includes ESG products). In the same period in 2010, the CIP program contained 24 products.

[13] FTE – Full Time Equivalent

[14] The ESW Plan refers only to products financed by the administrative budget.

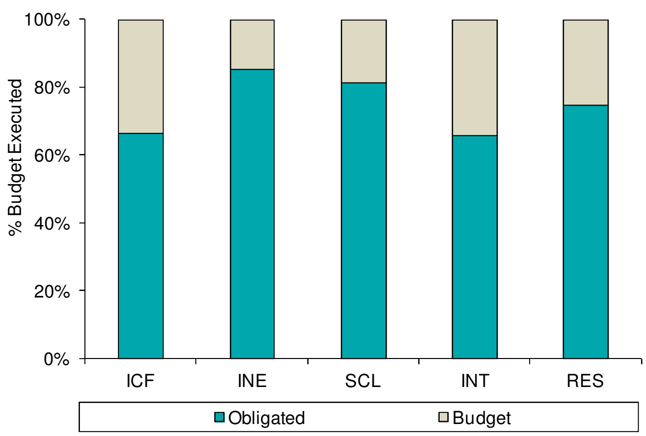
Note: Click on the graph to download the MS Excel file with the corresponding details.

Figure 2.5 VPS FTEs Reported to ESW



- As a percent of total staff time reported at the end of Q3, ICF reported 5% to ESW products, INE 3%, INT 47%, RES 55%, and SCL 8%.
- VPS reported 40.6 FTEs to the ESW plan, a 2.7% decrease from 41.7 in the same period in 2010. From the 40.6 FTEs reported, 27% was reported by RES, 29% by INT, 18% by SCL, 11% by INE, and 15% by ICF.
- VPS departments also reported 17 FTEs to CIPs of which 23% comes from ICF, 11% from SCL and 7% from INE.

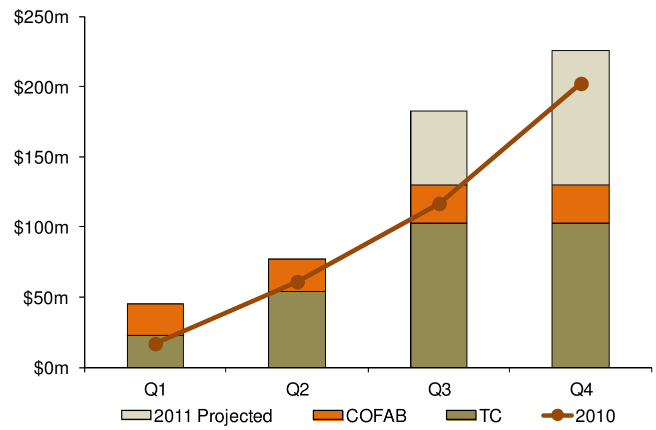
Figure 2.6 VPS NPC Budget Execution to ESW



- Non-Personnel cost (NPC) committed for ESW products reached $8.8m which represents 76% of the allocation of $11.6m for 2011. In the same period in 2010, NPC committed for ESW products was $8.1m which represented 71% of the allocation of $11.4m for 2010.
- NPC committed for CIPs reached $2.4m (excluding KNL) which represents 89% of the allocation of $2.7m for 2011 (excluding KNL).

2.4 Technical Cooperation Program

Figure 2.7 TC Program RBB

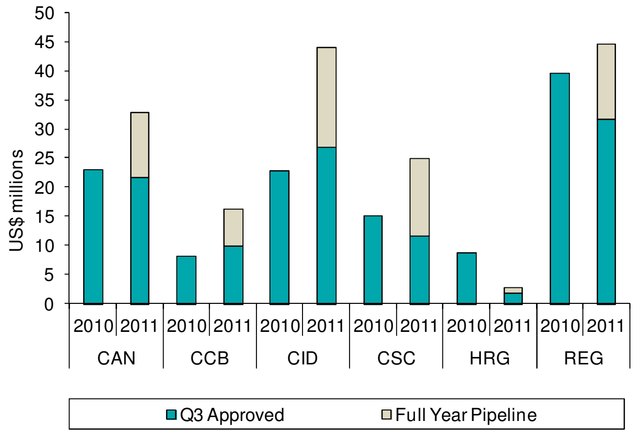


- TC approvals reached $103m in 216 operations 62% of the volume ($165m) and 70% of the 309 operations projected[15] for 2011. Approvals in the same period in 2010 were $117m in 226 operations.
- Average size of TCs approved reached $477k, an 8% decrease from $517k in the same period in 2010.
- Special TC programs approvals financed with Ordinary Capital (OC) reached $50m in 100 operations, 59% of the volume ($84m) and 66% of the 151 TC operations projected for 2011. Approvals in the same period in 2010 were $48m in 79 operations.
- Donor Trust Fund TC approvals reached $53m in 116 operations, 67% of the volume ($80m) and 74% of the 157 operations projected for 2011. Approvals in the same period in 2010 were $56m in 122 operations.
- COFAB[16] approvals reached $27m in 10 operations, 90% of the volume ($31m) and 71% of the 14 operations projected for 2011. Approvals in the same period in 2010 were $39m in 12 operations.

[15] Projections for TCs are as of March 31st, 2011.
[16] Grant co-financing contribution administered by the Bank

By Country Group

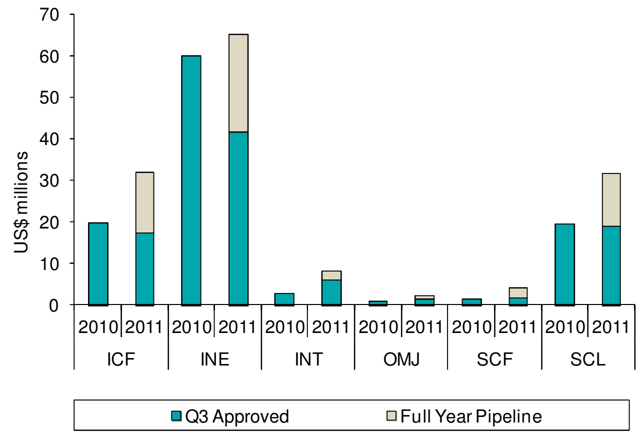
Figure 2.8



- CAN TC approvals reached $21.7m in 46 operations, 66% of the $33.2m and 68% of the 68 operations projected for 2011. Approvals for the same period in 2010 were $22.9m in 46 operations.
- CCB TC approvals reached $9.8m in 23 operations, 60% of the $16.2m and 72% of the 32 operations projected for 2011. Approvals for the same period in 2010 were $7.9m in 17 operations.
- CID TC approvals reached $26.8m in 57 operations, 61% of the $43.9m and 68% of the 84 operations projected for 2011. Approvals for the same period in 2010 were $22.7m in 47 operations.
- CSC TC approvals reached $11.5m in 29 operations, 46% of the $24.8m and 62% of the 47 operations projected for 2011. Approvals for the same period in 2010 were $15m in 35 operations.
- HRG TC approvals reached $1.7m in six operations, 62% of the $2.7m and 75% of the eight operations projected for 2011. Approvals in the same period in 2010 were $8.7m in nine operations.
- Regional TC approvals reached $31.6m in 55 operations, 71% of the $44.6m and 79% of 70 operations projected for 2011. Approvals for the same period in 2010 were $39.6m in 72 operations.

By Sector

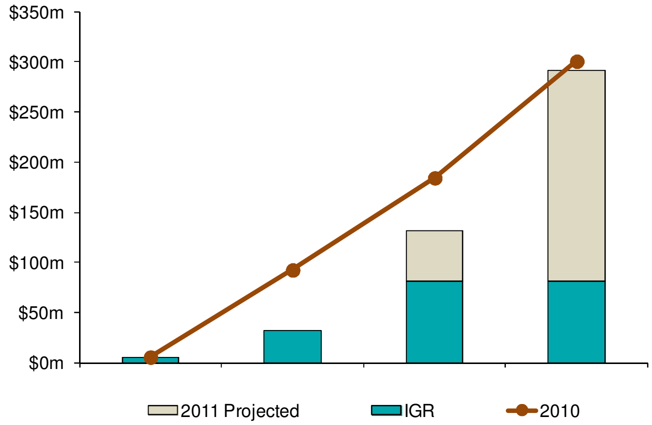
Figure 2.9



- ICF TC approvals reached $17.3m in 37 operations, 55% of the $31.7 and 61% of the 61 operations projected for 2011. Approvals for the same period in 2010 were $19.8m in 41 operations.
- INE TC approvals reached $41.7m in 67 operations, 64% of the $64.9m and 73% of the 92 operations projected for 2011. Approvals for the same period in 2010 were $60m in 102 operations.
- INT TC approvals reached $6.0m in 13 operations, 74% of the $8.2m and 76% of 17 operations projected for 2011. Approvals for the same period in 2010 were $2.8m in eight operations.
- OMJ TC approvals reached $1.4m in five operations, 64% of $2.1m and 71% of seven operations projected for 2011. Approvals for the same period in 2010 were $0.9m in four operations.
- SCF TC approvals reached $1.6m in seven operations, 39% of $4.1m and 78% of 9 operations projected for 2011. Approvals for the same period in 2010 were $1.3m in 3 operations.
- SCL TC approvals reached $18.8m in 38 operations, 60% of the $31.4m and 66% of the 58 operations projected for 2011. Approvals for the same period in 2010 were $19.5m in 43 operations.

Note: Click on the graph to download the MS Excel file with the corresponding details.

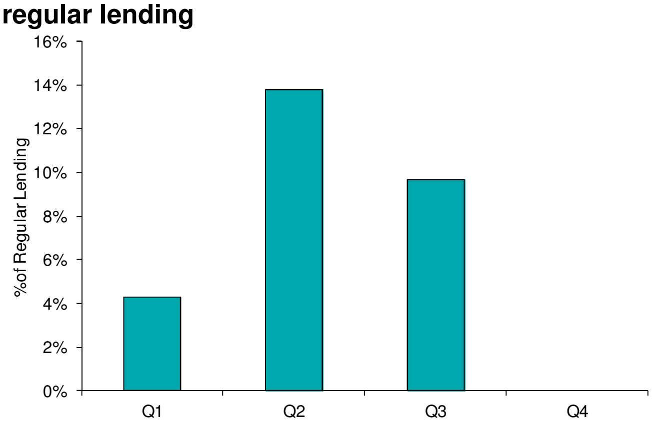
Figure 2.10 Investment Grants (IGR)



- Investment grants approvals reached $81.7m in five operations, 33% of the volume ($246.8m) and 25% of the 20 operations projected for 2011. Approvals in the same period in 2010 were $184.3m in 11 operations

Co-financing and Regular Lending

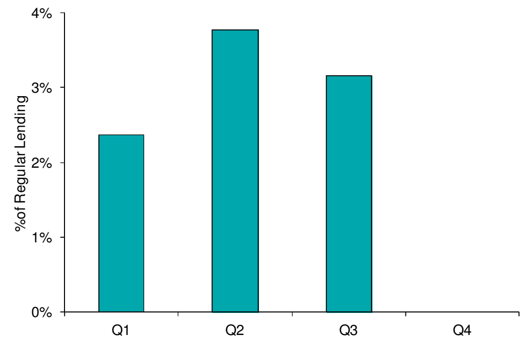
Figure 2.11 Cumulative co-financing relative to regular lending



- Cumulative co-financing approvals as a percent of regular lending reached 10%.

Donor Trust Funds and Regular Lending

Figure 2.12 DTF relative to regular lending RF

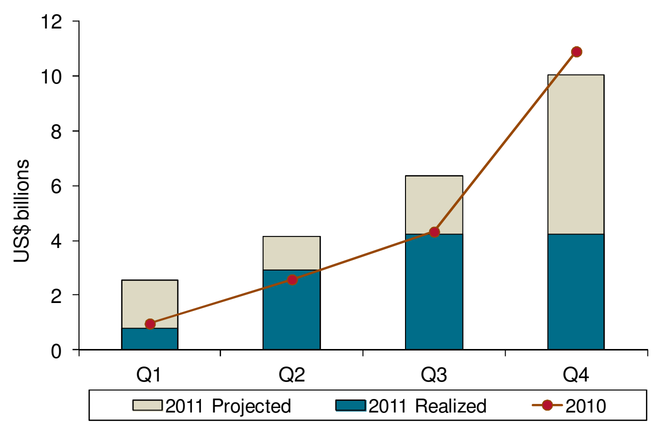


- Donor Trust Funds approvals as a percent of regular lending reached 3.2%, slightly above the 3% target for 2015.

III. Program Delivery

3.1 Disbursements

Figure 3.1 Total Loan Disbursements

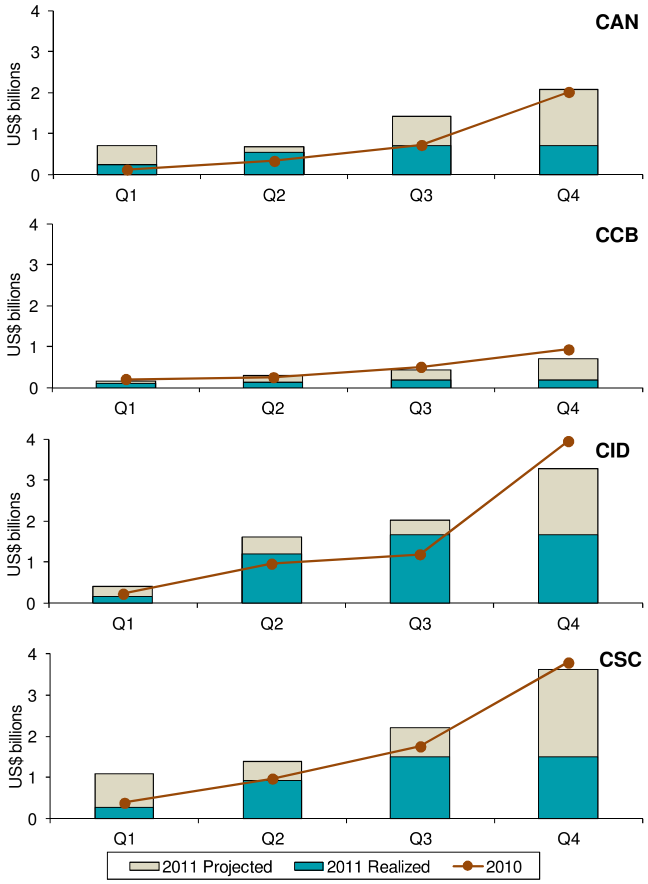


- Disbursements reached $4.2b, 67% of the volume ($6.4b) projected for **Q3**; and 42% of the volume ($10.1b) projected for **2011**, a 2% decrease compared to $4.3b disbursed in the same period in 2010. RBB
- SG disbursements reached $3.9b, 69% of the volume ($5.7b) projected for **Q3**; and 45% of the volume ($8.9b) projected for **2011**. SG disbursements in the same period in 2010 reached $4.0b.
- NSG disbursements reached $270m, 42% of the volume ($0.6b) projected for **Q3**, and 22% of the volume ($1.2b) projected for **2011**. NSG disbursements in the same period in 2010 reached $309m.

Note: Click on the graph to download the MS Excel file with the corresponding details.

By Country Group

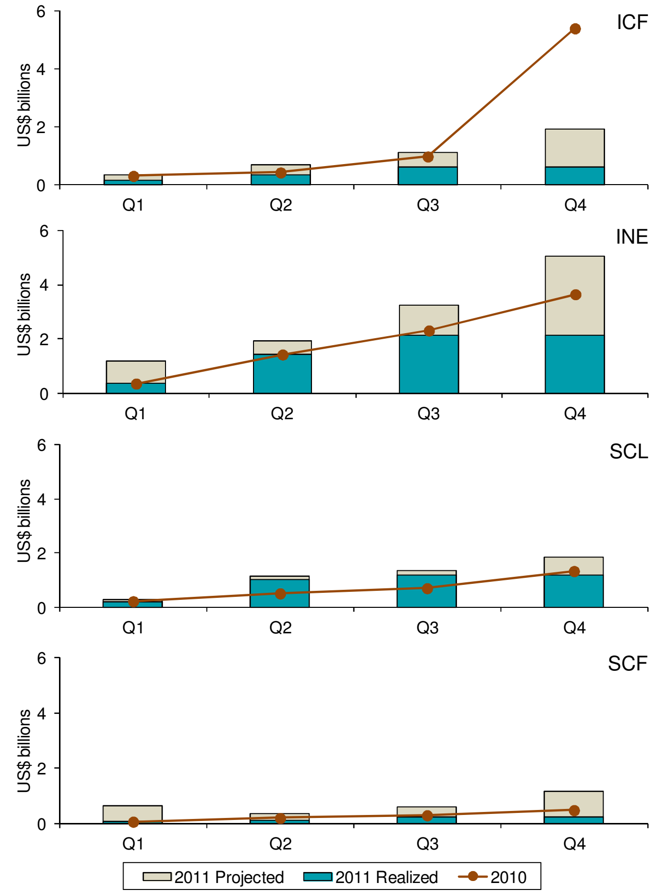
Figure 3.2



- CAN countries disbursements reached $0.7b, 50% of the $1.4b projected for **Q3** and 34% of the $2.1b projected for **2011.** CAN disbursements for the same period in 2010 were $0.7b.
- CCB countries disbursements reached $180m, 42% of the $428m projected for **Q3** and 26% of the $0.7b projected for **2011.** CCB disbursements for the same period in 2010 were $0.5b.
- CID countries disbursements reached $1.7b, 82% of the $2.0b projected for **Q3** and 51% of the $3.3b projected for **2011**, CID disbursements for the same period in 2010 were $1.2b.
- CSC countries disbursements reached $1.5b, 69% of the $2.2b projected for **Q3** and 42% of the $3.7b projected for **2011**. CSC disbursements in the same period in 2010 were $1.8b.

By Sector

Figure 3.3

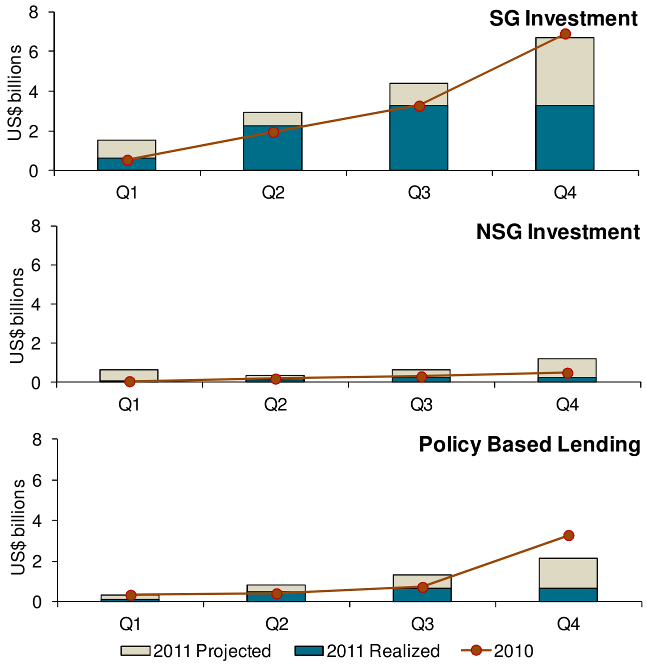


- ICF disbursements reached $0.7b, 56% of the $1.1b projected for **Q3** and 33% of the $1.9b projected for **2011**. ICF disbursements in the same period in 2010 were $0.9b.
- INE disbursements reached $2.1b, 66% of the $3.2b projected for **Q3** and 42% of the $5b projected for **2011**. INE disbursements in the same period in 2010 were $2.3b.
- SCL disbursements reached $1.2b, 88% of the $1.4b projected for **Q3** and 64% of the $1.9b projected for the **2011**. SCL disbursements in the same period in 2010 were $0.7b.
- SCF disbursements reached $255m, 42% of the $0.6b projected for **Q3** and 22% of the $1.1b projected for **2011.** SCF disbursements in the same period in 2010 were $299m.
- OMJ disbursements reached $14.3m, 42% of the $34m projected for **Q3** and 35% of the $41m projected for **2011**. OMJ disbursements in the same period in 2010 were $10m.

Note: Click on the graph to download the MS Excel file with the corresponding details.

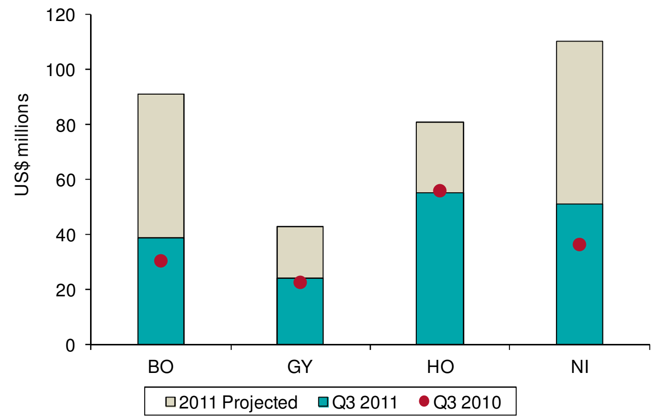
By Instrument

Figure 3.4



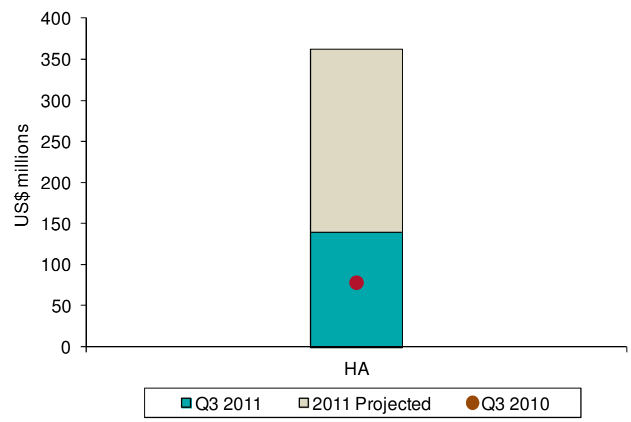
- SG Investment disbursements reached $3.3b, 75% of the $4.4b projected for **Q3** and 49% of the $6.7b projected for **2011**; SG Investment disbursements in the same period in 2010 were $3.3m.
- NSG Investment disbursements reached $270m, 42% of the $636m projected for **Q3** and 22% of the $1.2b projected for **2011**; NSG Investment disbursements in the same period in 2010 were $309m.
- Policy Based Loans disbursements reached $0.7b., 51% of the $1.3b projected for **Q3** and 31% of the $2.2b projected for **2011**. PBL disbursements in the same period in 2010 were $0.7b.

Figure 3.5 Disbursements for FSO eligible countries



- FSO disbursements for eligible countries reached $176m (51% of the year's projected $346m), a 7% decrease from the $189m disbursed in the same period in 2010.

Figure 3.6 Disbursements for Haiti from the IDB Grant Facility

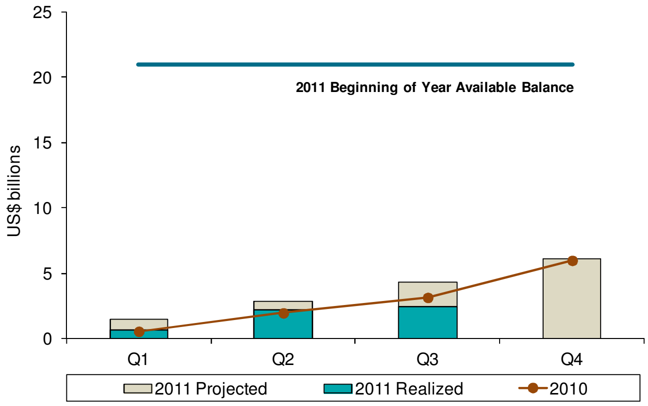


- Disbursements from the Grant Facility for Haiti reached $140m (63% of the year's projected $223m), an 81% increase from the $77m disbursed in the same period in 2010.

Note: Click on the graph to download the MS Excel file with the corresponding details.

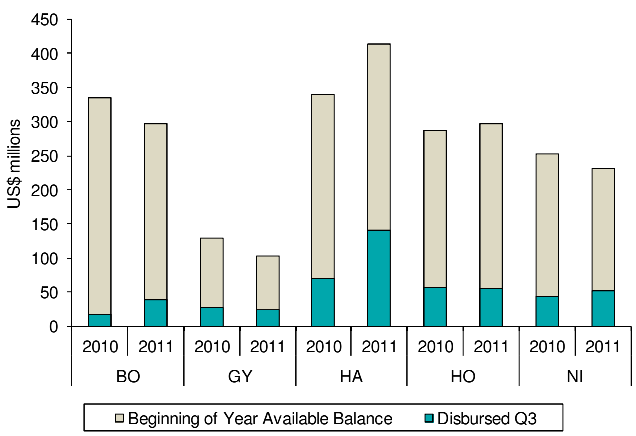
3.2 Beginning of the Year Balance

Figure 3.7 Investment Disbursements compared to Beginning of Year Available Balance



- The 2011 beginning of year available balance for active investment operations amounted to $20.9b compared to $20.2b at the beginning of 2010.
- At the end of Q3, disbursements[17] reached $2.4b, 12% of initial available balance. Disbursements in the same period in 2010 were $3.1b, which represented 16% of the initial 2010 balance.
- The projected investment disbursements for 2011 represent 26% of initial balance compared to 30% disbursed in 2010.

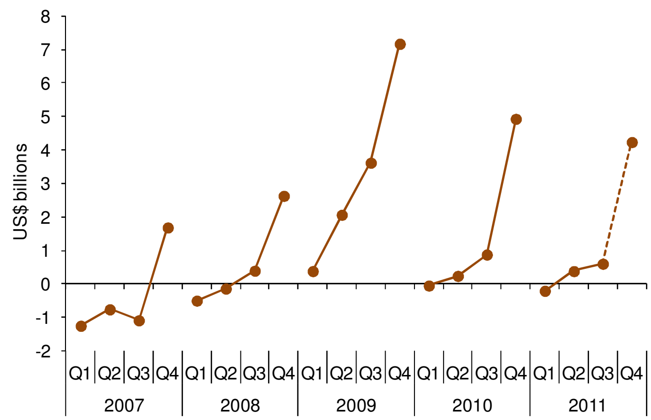
Figure 3.8 FSO and Grants Disbursements compared to Beginning of Year Available Balance



- The 2011 beginning of year available balance for investment operations financed by FSO and the Grant Facility (Haiti) for eligible countries amounted to $1.3b, the same as the $1.3b at the beginning of 2010.

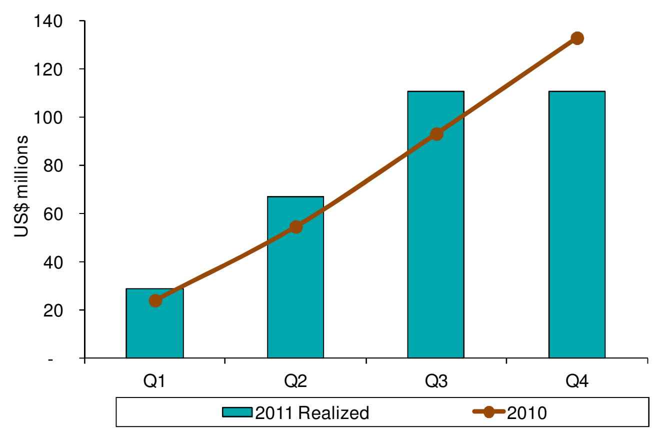
- FSO and Grants investment disbursements reached $310m representing 23% of initial balance, compared to $217m in 2010 which represented 16% of the initial 2010 balance.
- The projected FSO and Grants disbursements for investment operations for 2011 represent 52% or the initial balance compared to 44% in 2010.

Figure 3.9 Net Loan Flows of Convertible Currencies (YTD)



- The net loan flow for Q3 reached $604.3m as the Bank disbursed above the repayments level. The net flow in Q3 is lower than the same period in 2010 which reached $878.4m.
- Projections for the year for principal collections and disbursements indicate a possible net loan flow level of $4.2b by year's end.

Figure 3.10 TC Disbursements RBB



- TC disbursements reached $111m in Q3, a 19% increase from $93m in the same period in 2010.

[17] Disbursements from active investment operations at the beginning on 2011.

Note: Click on the graph to download the MS Excel file with the corresponding details.

- TC disbursements funded by FSO reached $23.7m, 21% of total TC disbursements. TC disbursements funded by FSO in the same period in 2010 were $18.4m.
- TC disbursements funded by the Special Programs of the ORC reached $46.4m, 42% of total TC disbursements. TC disbursements funded by the Special Programs of the ORC in the same period in 2010 were $34.2m.
- TC disbursements funded by DTF reached $40.6m, 37% of total TC disbursements. TC disbursements funded by DTF in the same period in 2010 were $33.4m.

Figure 3.11 TC Disbursements of Special Programs Financed with Ordinary Capital

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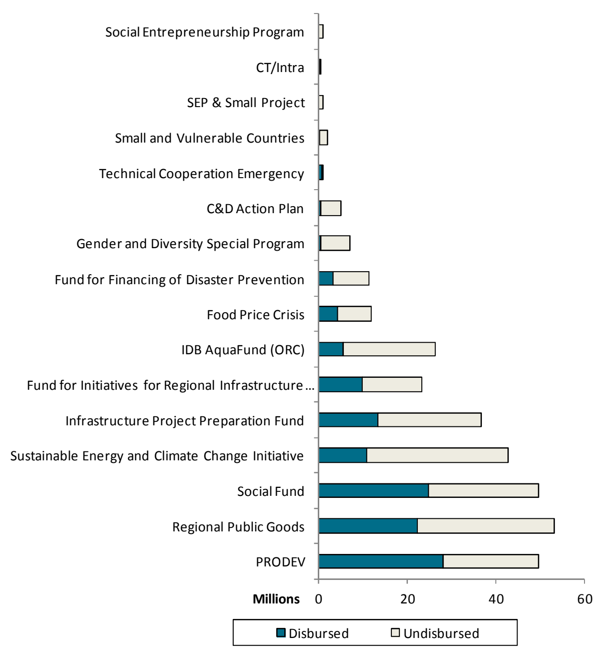
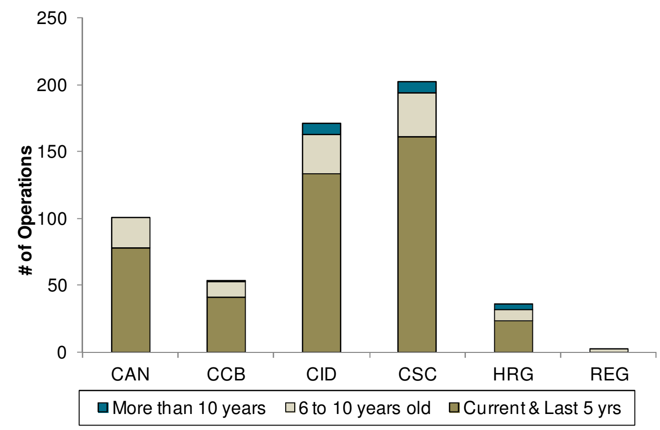


- By the end of Q3, the TC portfolio financed under ORC Special Programs amounted to $321m with an undisbursed amount of $198m (62%).[18]

IV. Portfolio Management

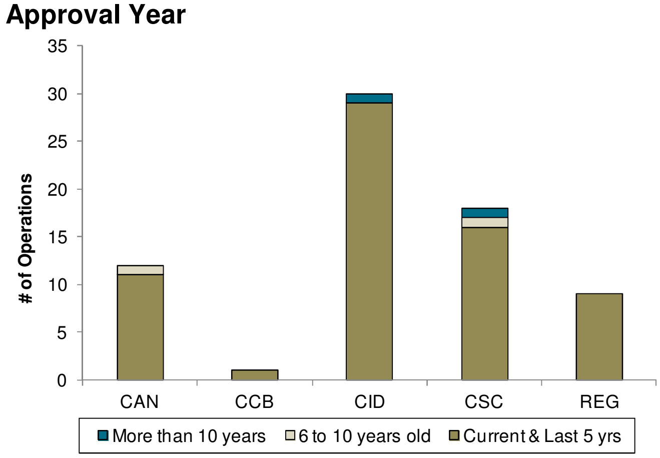
4.1 Loan Portfolio

Figure 4.1 SG Operations by Country Region and Approval Year RBB



- There are 566 SG operations in portfolio ($38b in volume) of which 21 were approved before the year 2000, 109 operations were approved between 2001 and 2005, and 436 operations between 2006 and 2011. Of these 436 SG operations, CID and CSC countries account for 373 (66%).

Figure 4.2 NSG Operations by Country Region and Approval Year



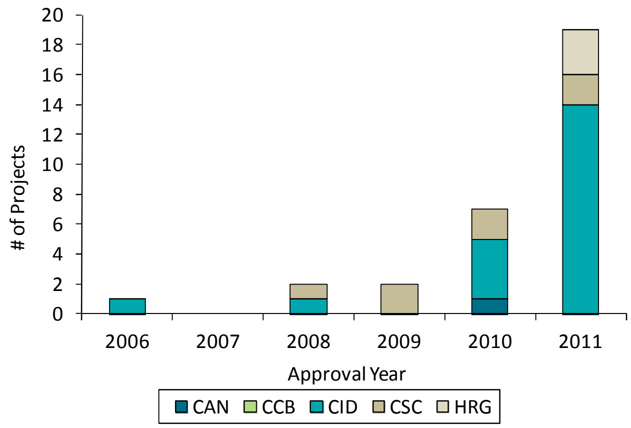
- There are 70 NSG operations in portfolio ($3.9b in volume) of which two were approved before the year 2000, 2 operations were approved between 2001 and 2005, and 66 operations between 2006 and 2011. Of these 66 NSG operations, CID and CSC countries account for 45 (69%).

[18] The Food Price crisis TCs also includes the $3m from the Swine Influenza (H1N1) response operation.

Note: Click on the graph to download the MS Excel file with the corresponding details.

4.2 Loan Portfolio Pending Ratification [19]

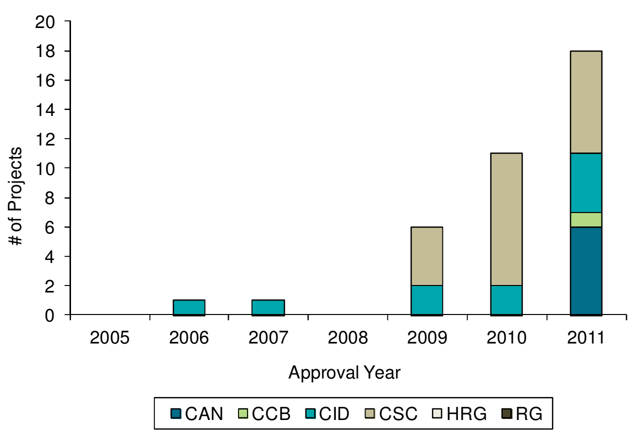
Figure 4.3 SG Operations Pending Ratification by Country Region and Approval Year



- There are 31 SG operations pending ratification ($1.2b in volume) of which five[20] were approved between 2006 and 2009; and 26 since 2010. Of these 31 SG Operations, CID countries account for 20 (65%).

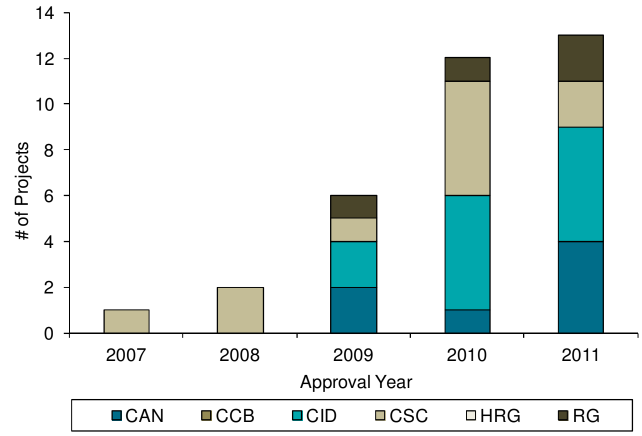
4.3 Loan Portfolio Pending Signature

Figure 4.4 SG Portfolio Pending Signature by Country Region and Approval Year



- There are 37 SG operations pending signature[21] ($3b in volume) of which eight[22] were approved between 2005 and 2009 and 29 since 2010. Of these 37 SG Operations, CSC and CID countries account for 30 (81%).

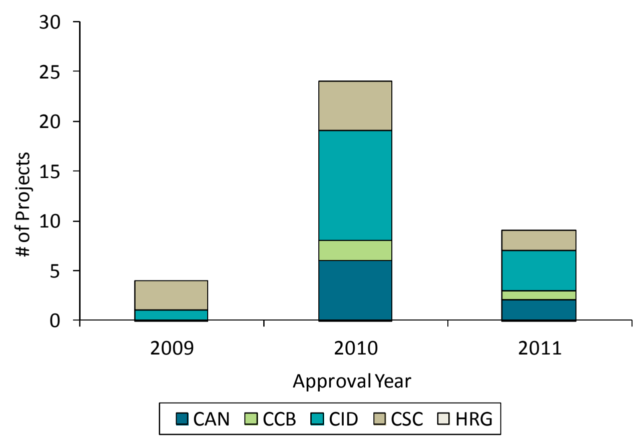
Figure 4.5 NSG Operations Pending Signature by Country Region and Approval Year



- There are 34 NSG operations ($1.4b in volume) pending signature of which nine were approved between 2007 and 2009 and 25 since 2010. Of these 34 NSG operations, CID and CSC countries account for 23 (68%).

4.4 SG Portfolio Pending Eligibility

Figure 4.6 SG Operations Legally Effective, Pending Eligibility by Country Region and Approval Year



- There are 37 SG operations with legal effectiveness pending eligibility representing 7% of total SG portfolio (566 operations). Of these 37 SG operations, four[23] were approved in 2009 and 33 since 2010. CID countries account for 16 (43%) and CSC countries 10 (27%).

[19] The countries that need to ratify loan agreements are: BO, CH CR, DR, ES, HO, NI, PN and PR.

[20] Includes operations: CR-L1001, PR-L1026, CR-L1023, PR-L1052, PR-L1022

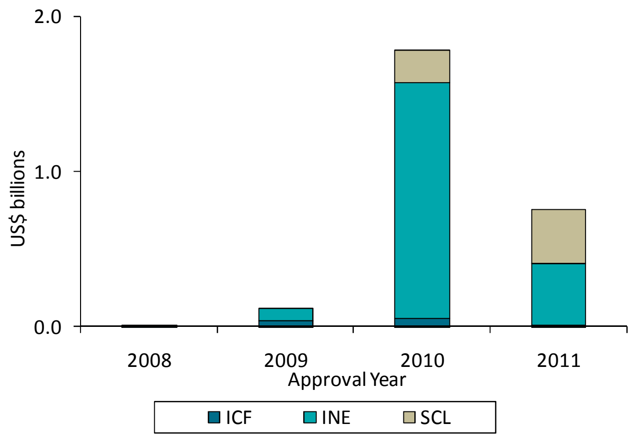
[21] Does not include operations pending ratification.

[22] Includes operations: BR-L1102,BR-L1208, BR-L1207, GU0163, GU0177, GU-L1039, GU-L1014, UR-L1054

[23] Includes operations: BR-L1087, HO-L1033, BR-L1087, and BR-L1020.

Note: Click on the graph to download the MS Excel file with the corresponding details.

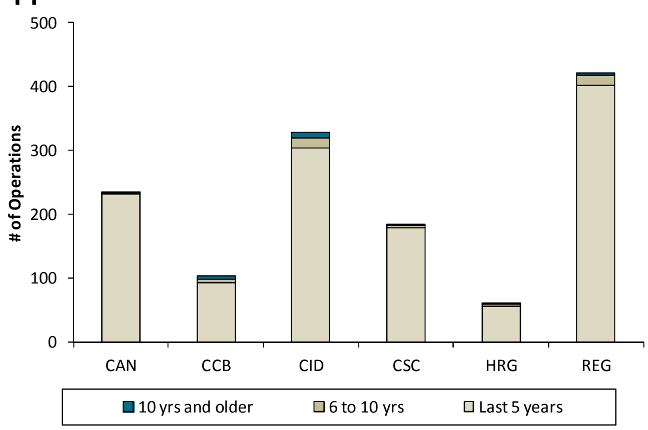
Figure 4.7 SG Operations Not Yet Eligible (Volume of Operations)



- Of the $2.5b of SG operations with legal effectiveness pending eligibility, INE and SCL account for $2.3b, 92% of the total volume of these operations.

4.5 TC Portfolio

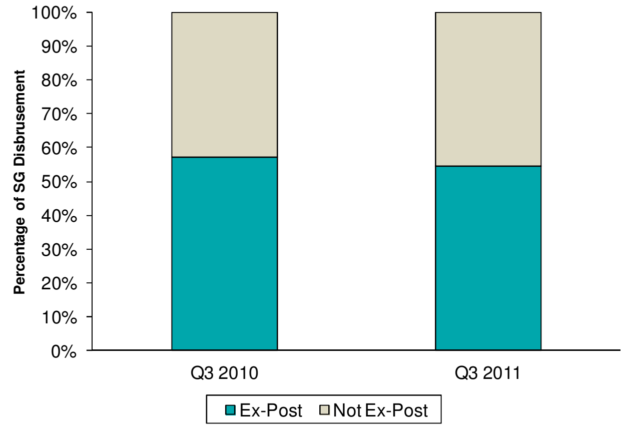
Figure 4.8 TC Operations by Country Region and Approval Year



- There are 1,334 TC operations in portfolio ($757m in volume) of which 23 were approved before the year 2000 for $32m; 45 operations were approved between 2001 and 2005 for $37m, and 1,266 operations between 2006 and 2011 for $687m. Of these 1266 TC operations, REG and CID countries account for 707 (56%).

4.6 Ex Post review of Disbursements

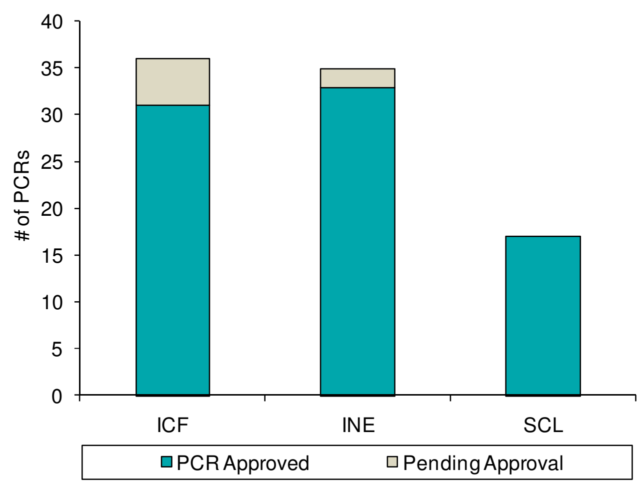
Figure 4.9 Disbursements Reviewed Ex Post



- The percentage of disbursements reviewed ex post for SG investment operations reached 54.6%. The level reached in the same period in 2010 was 57.3%.
- The percentage of loans that disbursed in Q3 with ex post review reached 40.9%. The level reached in the same period in 2010 was 34.9%.

4.7 PCRs

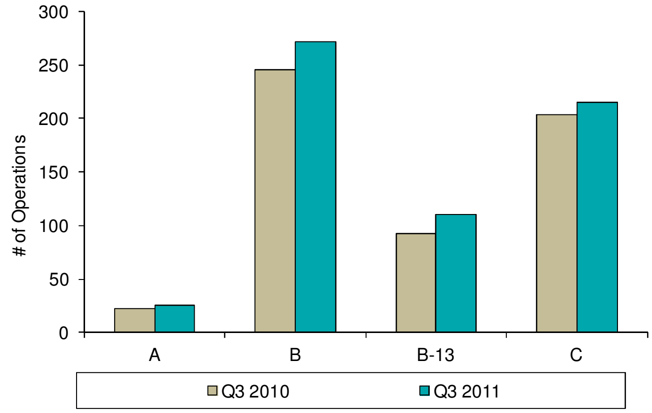
Figure 4.10 Status for Projects Fully Disbursed in 2010 that require PCR



- There are 112 projects that completed disbursements during 2010 of which 88 require a Project Completion Report (PCR).
- As of Q3, VPS has processed and approved 81 PCRs representing 92% of required PCRs (88). The 81 projects with PCR approved are distributed in INE (33), ICF (31), and SCL (17).

Note: Click on the graph to download the MS Excel file with the corresponding details.

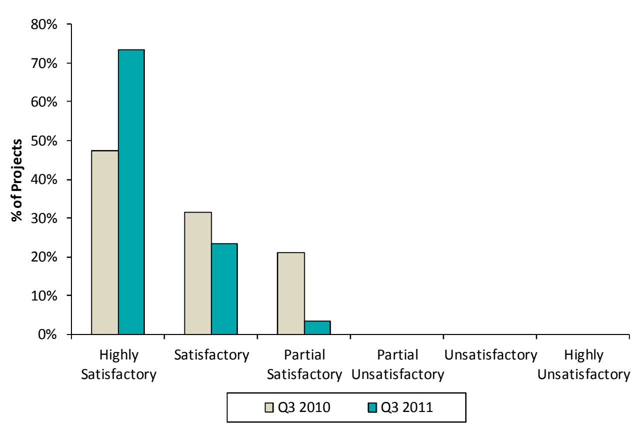
Figure 4.11 Portfolio in execution by Environmental and Social Impact



- There were 25 operations in execution for $4.7b assigned with the "A" Environmental and Social Impact risk classification. In the same period in 2010, 22 operations in execution for $3.5b were assigned the same rating.
- There were 271 operations in execution for $20b assigned with the "B" Environmental and Social Impact risk classification. In the same period in 2010, 245 operations in execution for $17.4b were assigned the same rating.

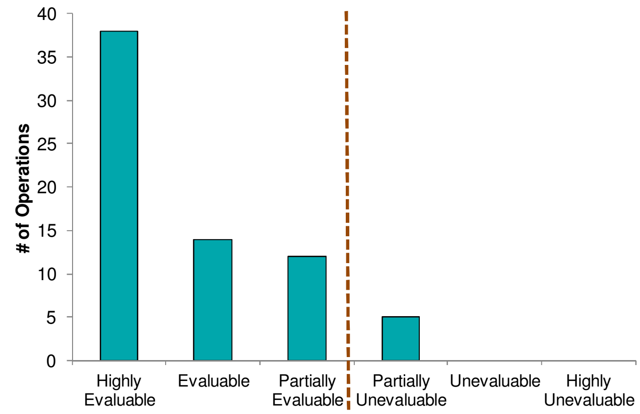
4.8 Development Effectiveness Matrix (DEM) Scores

Figure 4.12 DEM Evaluability Levels for Approved Operations, Quarterly Comparison RF



- The percentage of approved operations in Q3 rated "Satisfactory" or higher under the DEM evaluability[24] criteria reached 97% in 29 operations compared to 79% in 30 operations for the same period last year. The RF target is 85%.

Figure 4.13 DEM Evaluability Levels at the Quality and Risk Review (QRR) stage



- The percentage of operations that completed the QRR stage in Q3 rated "Partially Evaluable" or higher under the DEM evaluability criteria reached 93% in 64 operations.

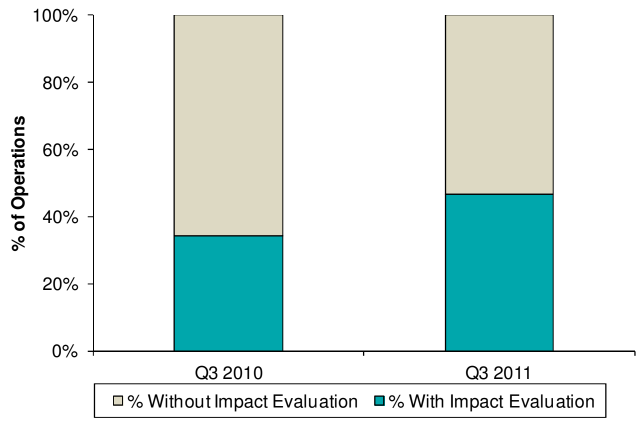
Figure 4.14 DEM Dimensions, Quarterly Comparisons

- There was an increase in almost all DEM Ratings with Program Logic (-0.3 pts), Evaluation & Monitoring (+0.8 pts), Risk Management (+.9 pts) and Economic Performance w/o PBL (+1.2 pts).

[24] Evaluability or the extent to which and activity or program can be evaluated in a reliable credible fashion, is the basis for assessing compliance with evaluation standards set out in the DEF.

Note: Click on the graph to download the MS Excel file with the corresponding details.

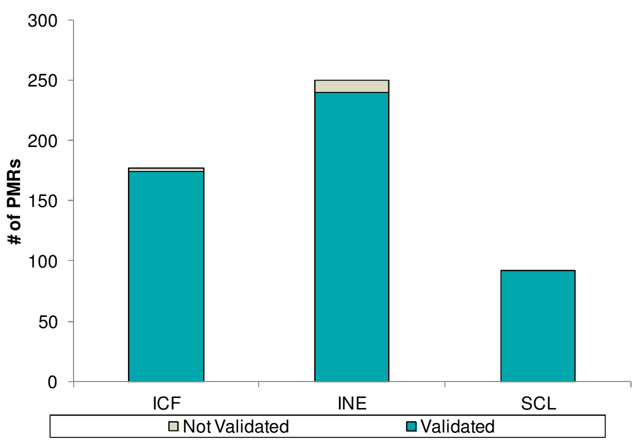
Figure 4.15 Ex Ante Impact Evaluations, Quarterly Comparison



- In Q3, 47% (14 projects) of a total of 30 projects were designed with an impact evaluation. The level reached in the same period in 2010 was 34% (13projects) of a total of 38.

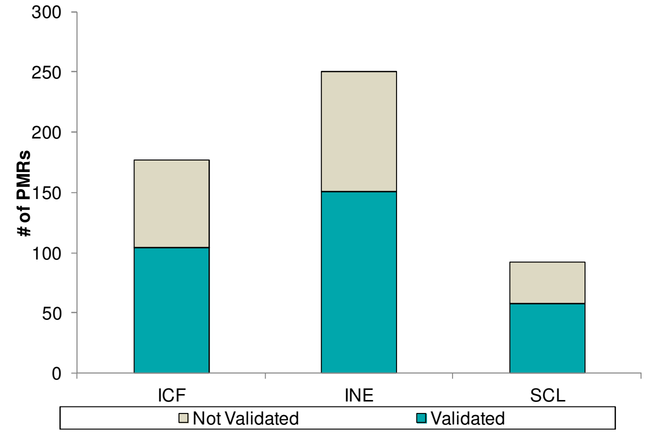
4.9 Progress Monitoring Report (PMR) RBB

Figure 4.16 PMR Validation by Division Chiefs



- As of Q3, 98% (519 of 532) of the PMRs had been validated by Division Chiefs compared to 93% (492 of 528) validated in the same cycle in 2010.

Figure 4.17 PMR Validation by Representatives

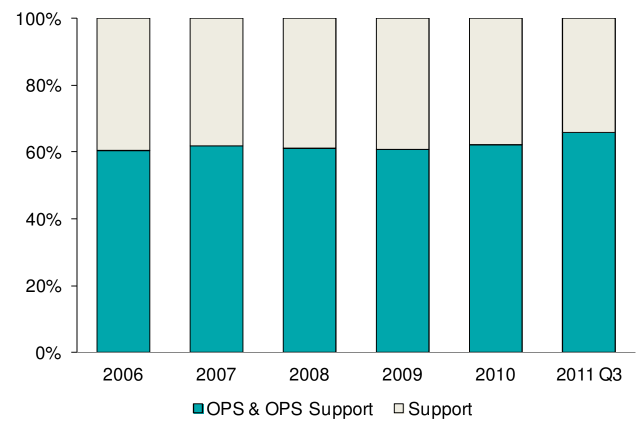


- As of Q3, 61% (317 of 532) of the PMRs were validated by Country Representatives[25].

V. Budget and Efficiency

5.1 Resources (PC, NPC and FTEs)

Figure 5.1 Percent of administrative expenses in operational programs RF

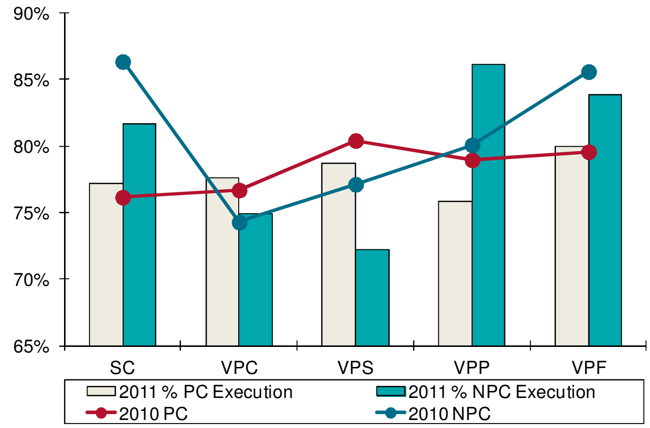


- Budget Execution (actual + commitments) for Operational and Operational Support Programs reached 66% ($223.7m), four percentage above the execution of 2010. The RF target is 68% by 2015.

[25] The 2011 Fall cycle closing date has been extended until October 23rd. Validation figures are preliminary as of September 30th.

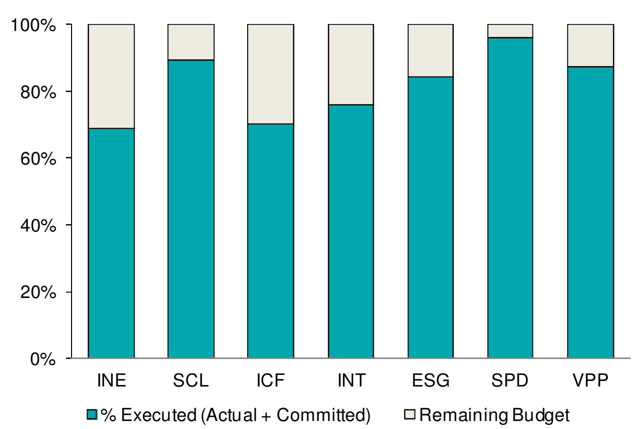
Note: Click on the graph to download the MS Excel file with the corresponding details.

Figure 5.2 Budget Execution for PC and NPC (Includes Initiatives) as a percent of Total Budget Execution



- Bank's NPC for Departments and Initiatives executed 78% of the Bank's revised budget (actual plus commitments), one percentage point below Q3 2010.
- VPC executed 75% of its revised NPC budget (one percentage point above Q3 2010).
- VPS executed 72% of its revised NPC budget (five percentage points below Q3 2010).
- VPP executed 86% of its revised NPC budget, six percentage points above Q3 2010.
- VPF has a level of NPC budget execution of 84% of the revised budget, two percentage points below Q3 2010.

Figure 5.3 Transactional Budget as a percent of Budget Execution

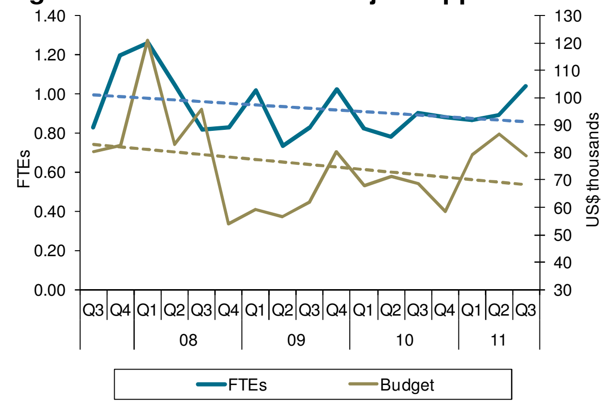


- A total of $21m of the operational transactional budget has been transferred from VPC to VPS; and $700K to SPD. A total of $16m (74%) of the budget transferred was executed.

- VPP has a self contained transactional budget. Its revised budget reached $3.2m as of Q3 2011 of which $2.8m has been executed[26].

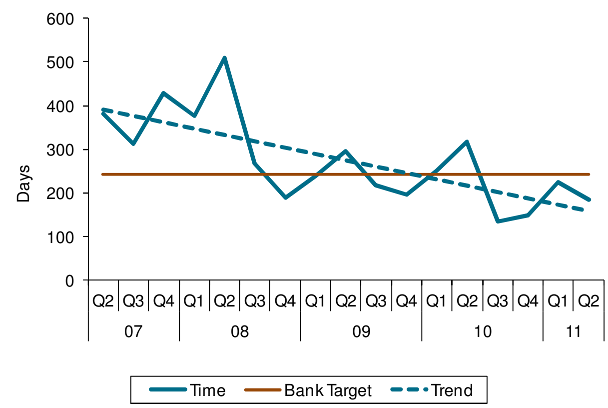
5.2 Project Efficiency

Figure 5.4 Resources for Project Approval



- Staff time reported to project preparation reached 1.04, a 16% increase from 0.8 in Q2/11. NPC reached an average of $79K, a 9% increase from $87K in Q2/11.

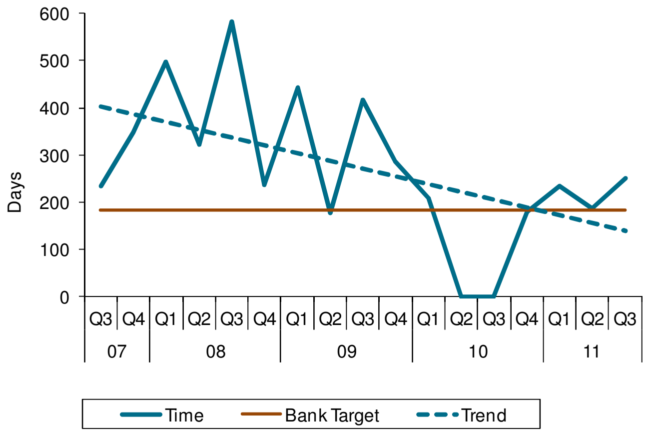
Figure 5.5 Time elapsed from Projects Profile to Approval for SG Operations RF



- Time elapsed to prepare a project (from Profile to approval) reached 7 months, a 9% increase from 6.4 months in Q2/11. The RF annual target is 8 months.

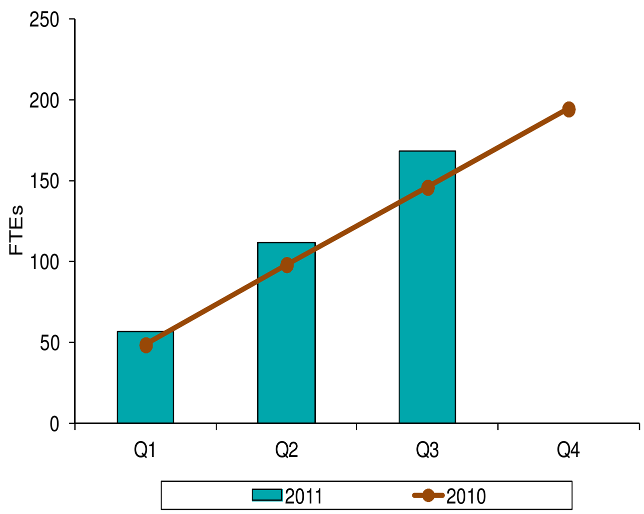
[26] Budget Execution – Actual plus commitments

Figure 5.6 Time elapsed Projects Profile to Approval for NSG Operations RF



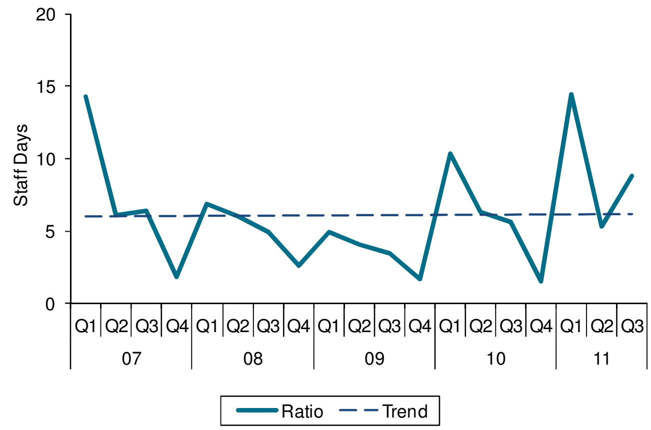
- Time elapsed to prepare a project (from Profile to approval) for NSG operations reached 8.3 months, a 34% increase from 6.2 months in Q2/11. The RF annual target is 6 months.

Figure 5.7 Staff time reported to Project Execution



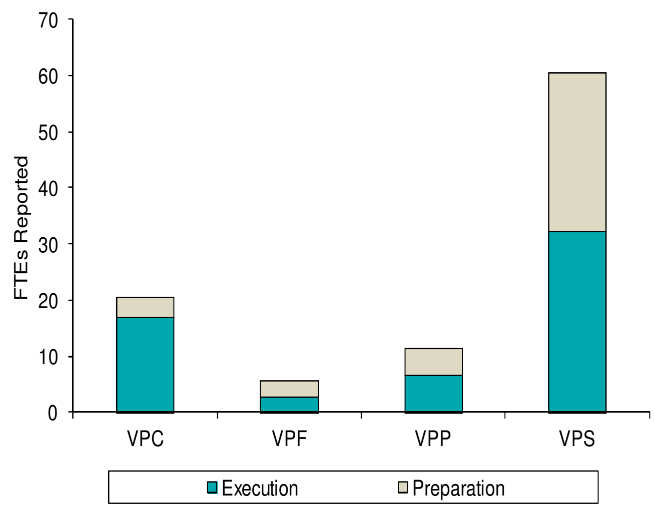
- Staff time reported to projects in execution reached 168 FTEs in Q3, a 15% increase from 146 FTEs reported in the same period in 2010.

Figure 5.8 Staff time reported to Project Execution per Million Disbursed



- Staff time reported to projects in execution per US$ million disbursed, reached 8.8 days in Q3, a 56% increase from 5.7 days reported in the same period last year.

Figure 5.9 Staff time reported to Project Preparation and Execution

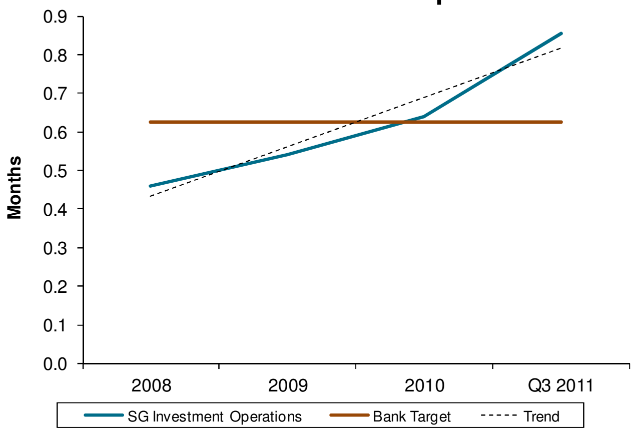


- Staff time reported to loan operations reached 296 FTEs, a 20% increase from 247 FTEs reported in the same period in 2010.
- Staff time reported to project preparation reached 128 FTEs in Q3, a 25% increase from 102 FTEs reported in the same period in 2010.
- VPS staff time reported to projects in execution reached 95 FTEs in Q3, a 14% increase from the 83 FTEs reported in the same period in 2010.

Note: Click on the graph to download the MS Excel file with the corresponding details.

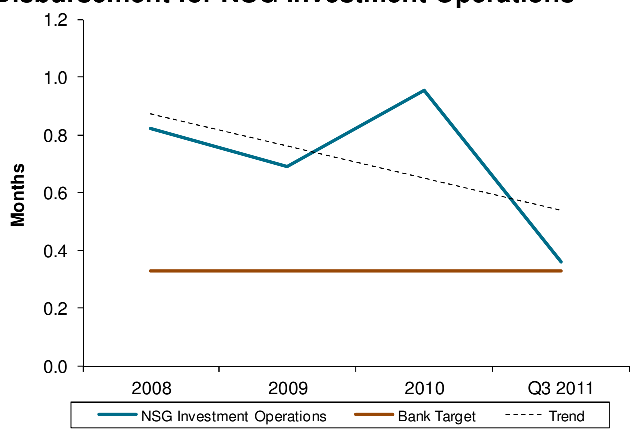
5.3 Cycle Times (efficiency)

Figure 5.10 Time elapsed from Eligibility to First Disbursement for SG Investment Operations



- Time elapsed from eligibility to first disbursement[27] for SG investment operations in Q3 reached 0.9 months; an 86% increase from 0.5 months in 2008. The RF target is 0.6 months.

Figure 5.11 Time elapsed from Eligibility to First Disbursement for NSG Investment Operations



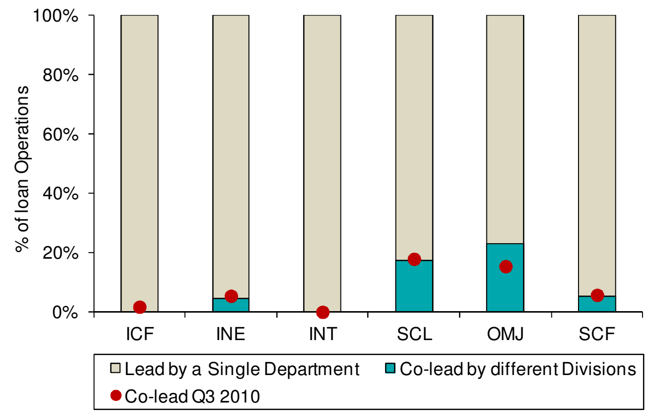
- Time elapsed from eligibility to first disbursement for NSG investment operations which performed a first disbursement[24] in Q3 reached 0.4 months; a 56% decrease from 0.8 months in 2008. The RF target is 0.3 months.

[27] Only operations which actually disbursed.

VI. Staffing and Culture

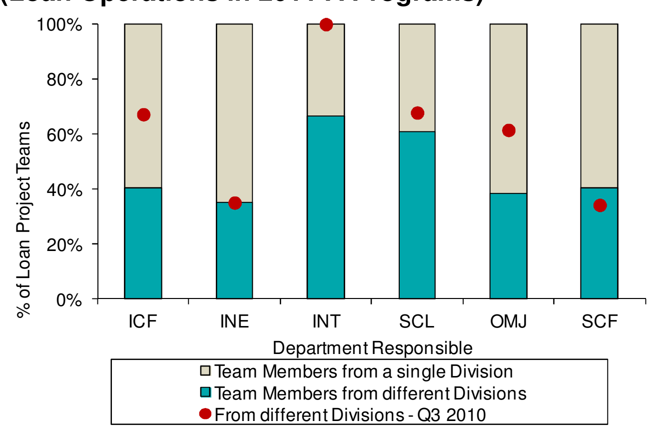
6.1 Collaboration[28]

Figure 6.1 VPS & VPP Shared Inter-Divisional Leadership



- By the end of Q3, SCL divisions share preparation leadership on 17% of its 2011A projects, OMJ 23% and SCF 5%.

Figure 6.2 Multidisciplinary Team compositions (Loan Operations in 2011 A Programs)

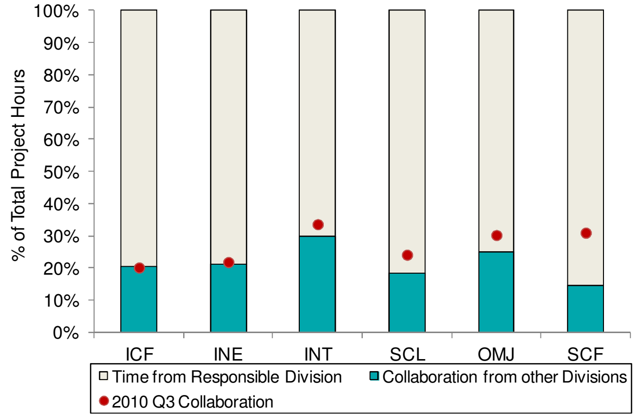


- Operations with registered specialists from different Divisions as team members reached 82. At least 23 operations in ICF and INE have members from different divisions; 14 in SCL; and 15 in SCF.

[28] A new collaboration scheme was launched at the end of Q3 and will be piloted during the last quarter of 2011. This new scheme incorporates double-booking for operations which will be reported in the first quarter of 2012.

Note: Click on the graph to download the MS Excel file with the corresponding details.

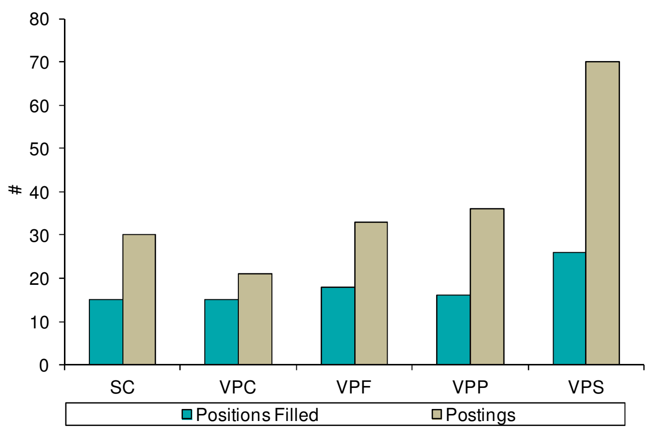
Figure 6.3 Time Reported by Registered Team Members (Loan Operations in the 2011A Program)



- The time reported to loan operations by registered team members from different Divisions reached 20% of the time reported by all team members, a 3 percentage points decrease from 23% during the same period in 2010.

6.2 Vacancies and New Hires

Figure 6.4 Status Positions Posted and Filled HQ

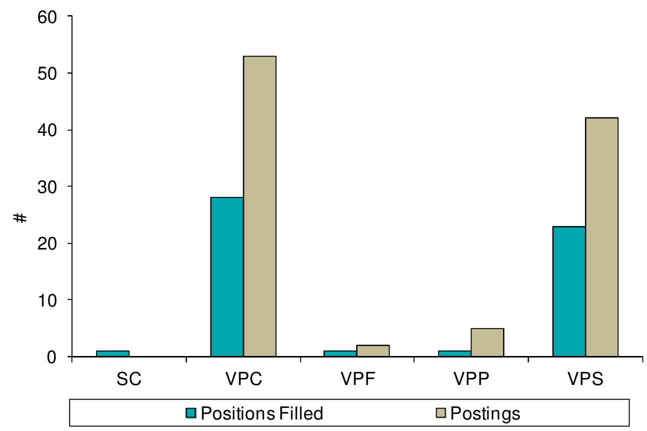


- More than 38,086 candidates applied to the 304 positions posted (median 84 applicants per position). 1,361 (3.58%) applicants were invited for interviews.
- 206 (67%) positions were posted as international positions. 136 initial offers to new hires were accepted by the selected candidates. 8 initial offers were rejected.
- 144 (73.8%) of the filled positions went to external candidates. 37 of the 51 positions filled with internal candidates were by lateral transfer. Of the 144 external hires, 70 (49%) were female.
- There were 195 vacancies filled in as of Q3, 171 vacancies remain.
- 142 (73%) of vacancies filled were for Operational Departments (VPS, VPC. VPP).

6.3 COF Strengthening

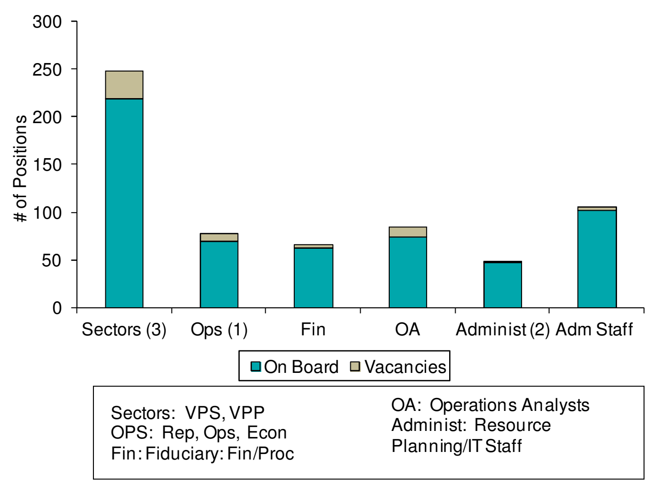
- Net number of professionals on-board in COFs increased by 30.
- VPC professional staff on board in COF increased by 14, VPS increased by 13, VPP decreased by one and VPF increased by one.
- Of the 144 external hires this year, 33 were national professionals and 19 were internationals, in COF. 36 of the international hires in HQ/COF were for VPS.
- Local professional staff in COFs increased by 18.

Figure 6.5 Status Positions and Filled COF



- 27 (35%) of the vacancies filled were in COFs.

Figure 6.6 Country Office Staff Composition

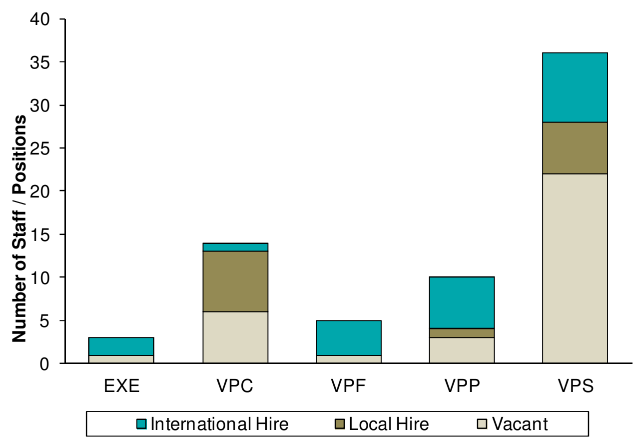


- 27 (35%) VPS professional vacancies as of September 30 are assigned to COFs.

Note: Click on the graph to download the MS Excel file with the corresponding details.

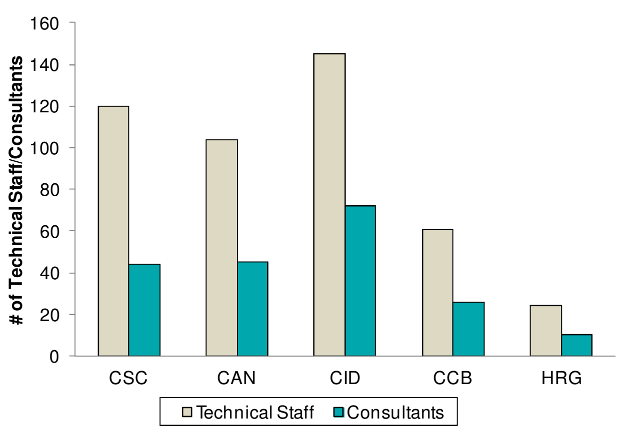
- 40% of professional staff on-board in VPS is in COFs. 32% of VPS professional staff on- board in COFs is local.
- 10 of 12, which represents 83% of vacant positions in VPC/COF are for Operations Analysts (local professionals), while 2 vacancies are for professional.

Figure 6.7 GCI Positions vs. Planned



- 35 of the 68 (51%) GCI Positions have been filled. Of the 35 staff hired, 14 are local staff in COF and 21 are International staff (16 in HQ and 5 in COF).

Figure 6.8 Number of Professional Staff and Consultants (excluding firms)

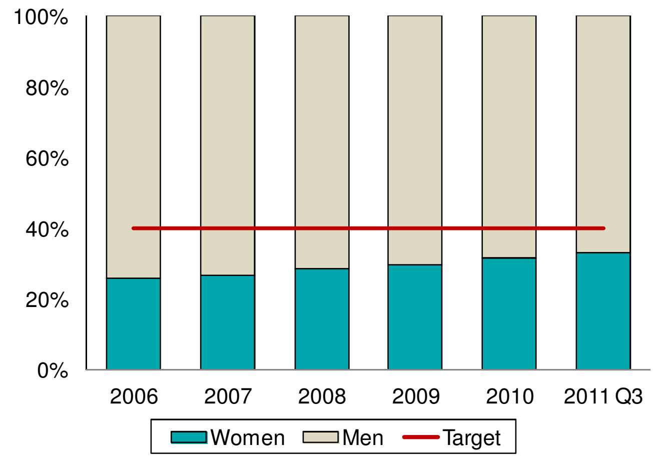


- There were 197 active consultants in COF at end of Q3 2011 with contracts over 150 days, which amounts to the equivalent of 155.41 FTEs. By the end of Q3 2010, there were 158 active consultants with contracts over 150 days, representing the equivalent of 155.8 FTEs.

- In addition, there were 46 active professional contractors (working from firms) in COF at the end of Q3. By the end of Q3 2010 there were 36 active contractors in COF

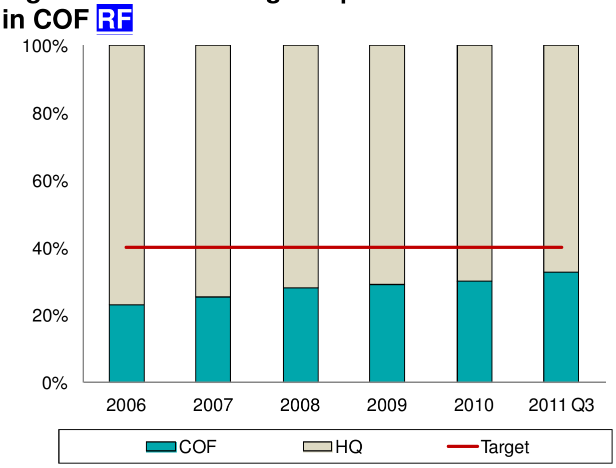
6.4 Human Resources (Staffing)

Figure 6.9 Percentage of professional and executive staff who are women, Grade four and above. RF



- Women in grades four and above reached 33%, three percentage points increase since Q4 2010. The RF target is 40% in 2015
- Women in executive and representative positions reached 28%, six percentage points increase since Q4 2010. The RF target is 38% by 2015.

Figure 6.10 Percentage of professional staff based in COF RF



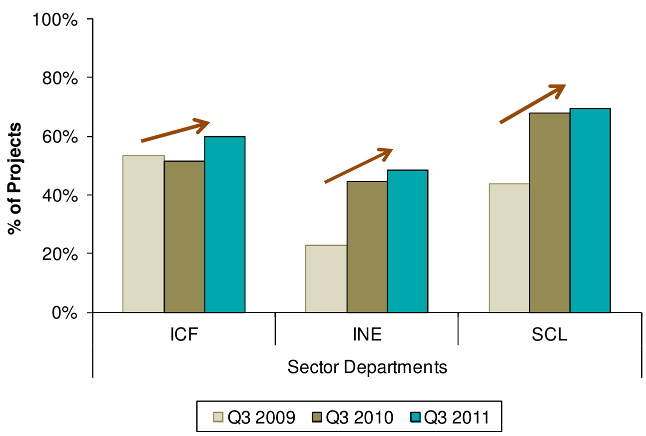
- Professional Staff in COF reached 33%, three percentage points increase since Q4 2010. The RF target is 40% by 2015.
- Female professional staff in COF reached 38%, the same since Q4 2010.

Note: Click on the graph to download the MS Excel file with the corresponding details.

- Staff from borrowing countries account for 67% of total staff, one percentage point decrease from Q4 2010.
- Staff from C&D countries account for 41% of staff from all borrowing countries, stable since Q4 2008.
- Staff[29] with a Doctorate degree accounted for 21% of the Executive level, 20% of the Management level and 14% of the Technical level staff. Of these Staff holding a PhD, 64% have an academic background from the US & Canada, 4% from borrowing countries and 32% from Non regional countries.
- The average years of service at the Bank for staff reached 9.7 years. Staff with 0 to ≤ 3 years accounted for 28% of all staff; 3 to ≤ 10 years 33%; 10 to ≤ 20 years 26%; and 20 years or more 13%.

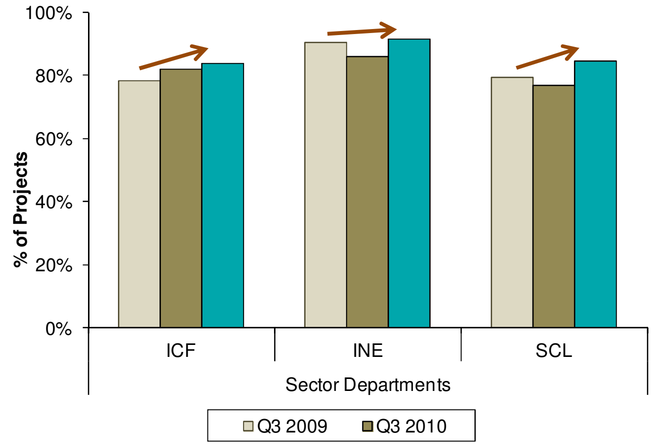
6.5 Team leaders in COFs

Figure 6.11 Projects in Pipeline



- By the end of Q3, 57% of the Team Leaders for projects in preparation are in COFs, 6 percentage points increase from 51% registered during the same period in 2010.

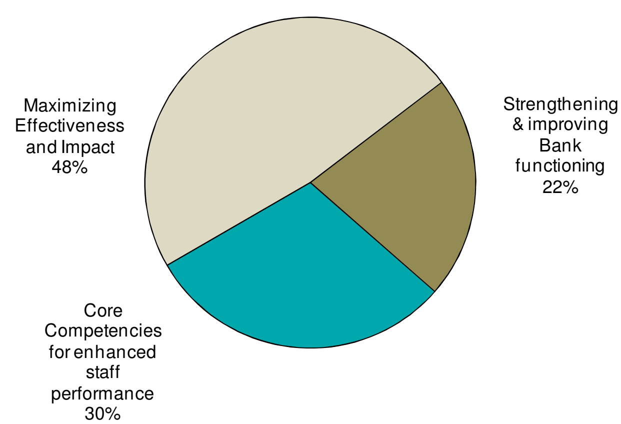
Figure 6.12 Projects in Portfolio



- By the end of Q3, 87% of the Team Leaders for SG projects in execution are located in COFs, compared to 82% during the same period in 2010.

6.5 Knowledge and Learning

Figure 6.13 Staff Knowledge and learning



- Programmed K&L staff activities at the end of September 2011 totaled $6.4 million, representing 94% of the 2011 approved K&L resources ($6.8 million)
- 11,809 Bank participants (7,028 in 2010) registered in K&L Activities for 121,235 hours (90,934 hrs in 2010). 69% of participants were professionals. 34% of participants were from COFs. Time reported to K&L activities represented 5.7% of Bank-wide reported time. An average of 8.3 training days per FTE was reported to learning activities.
- Staff that participated in at least one K&L activity included: 116 Bank executives (390 registrations and 5,886 hrs). 1,571 professionals (7,735 registrations and 84,916 hrs), 229 administrative staff (893 registrations and 9,706 hrs) 947

[29] These represent current budgeted positions.

Note: Click on the graph to download the MS Excel file with the corresponding details.

consultants and research fellows (2,791 registrations and 20,727 hrs).

- As of September 30, 2011, 1,003 participants from the region completed courses for a total of 83,505 participant hours.
- 48% of the time was invested in activities that contribute to maximizing effectiveness and impact; 22%, to strengthening and improving the functioning of the Bank and 30%, to enhance core competencies to improve staff performance.
- KNL collaborated in the coordination of 46 active communities of practice, facilitating knowledge sharing among 3,034 users. Eight specialized knowledge portals managed by KNL were visited by 11,589 persons, who made a total of 59,853 visits.
- Technical services delivered during Q3 consisted of: 503 Selective Dissemination Information Alerts and 18 specialized information portals (InfoGuides).
- KNL manages 5 TCs (for $3.3 million) to finance capacity building activities (ESW); as well as $0.8 million from administrative budget to strengthen INDES.

Note: Click on the graph to download the MS Excel file with the corresponding details.

Abbreviations

AFS	Audited Financial Statements
BDA	Budget and Administrative Services Department
C&D	Countries from Group C & Group D
CAN	Country Department Andean Group
CCB	Country Department Caribbean Group
CCLIP	Conditional Credit Line for Investment Projects
CID	Country Department Central America, Mexico, Panama and Dominican Republic
COF	Country Office
COFAB	Grant Co-financing contribution administered by the Bank
CPD	Country Programming Document
CSC	Country Department Southern Cone
DTF	Donor Trust Funds
DEM	Development Effectiveness Matrix
EDU	Education Division
EME	Emergency Operations
ESW	Economic and Sector Work
FSO	Fund for Special Operations
FTE	Full Time Equivalents
FMM	Fiscal and Municipal Management Division
GCM	Grants and Co-Financing Management Unit
GEF	Global Environment Facility
HQ	Headquarters
HRD	Human Resources Department
HRG	Haiti Response Group
ICF	Institutional Capacity and Finance Sector
IDB-8	8th Replenishment
IDB-9	9th General Capital Increase
INE	Infrastructure and Environment Sector
INT	Integration and Trade Sector
INV	Investment Operations
NFP	Non Financial Products
LPGS	Liquidity Program for Growth Sustainability
NPC	Non-Personnel Costs
NSG	Non-Sovereign Guaranteed
OC	Ordinary Capital
OMJ	Opportunities for the Majority Sector
OPUS	Operations Update System
ORC	Ordinary Capital
PBL	Policy Based Lending
PC	Personnel Cost
PCR	Project Completion Report
PDP	Operations Procurement Office
PFM	Portfolio Monitoring Unit
PMR	Progress Monitoring Report
PRG	Programming Product
	Results Based Budget
REG	Regional
RES	Department of Research and Chief Economist
	Results Framework
RND	Environment, Rural Development Disaster Risk Management Division
SCF	Structured and Corporate Financing Department
SCL	Social Sector
SECCI	Sustainable Energy and Climate Change Initiative
SG	Sovereign Guaranteed
SMO	Strategic Monitoring Division
SPD	Office of Strategic Planning and Development Effectiveness
SPH	Social Protection and Health Division
T&L	Time and Labor System
TC	Technical Cooperation
TFFP	Regional Trade Finance Facilitation Program
VPC	Vice President for Countries
VPF	Vice President for Finance and Administration
VPP	Vice President for Private Sector and Non-Sovereign Guaranteed Operations
VPS	Vice President for Sectors and Knowledge
WSA	Water and Sanitation Division

Note: Click on the graph to download the MS Excel file with the corresponding details.